truck industry news

Sales to start in South

Nissan enters mid-range arena

By Arthur Flax
Assistant Truck Editor

IRVING, Tex.—Nissan Diesel America, Inc., will enter the U.S. commercial truck market later this month with a Class 7 cabover straight truck, according to W.W. Hall, vice president and general manager.

Hall said the first trucks are scheduled for sale at Southern dealerships by the end of July. The company has not finalized its dealership arrangements, and Hall said he could not be specific on the location of the first dealers. However, an earlier report said sales were scheduled to begin in Texas and neighboring states.

Nissan Diesel has dealers lined up and will start selling the trucks as soon as the distributor organization is set, Hall said.

The company is looking for established truck dealers to sell its products and is not planning to use Nissan car outlets. Sales outlets will be known as UD dealerships to differentiate them from Nissan's car outlets, and the U.S. truck marketing arm will operate independently from Nissan Motor Corp. in U.S.A., the car branch of the Nissan group here.

UD is the corporate symbol of Tokyo-based Nissan Diesel Motor Co., Ltd., the parent of Nissan Diesel America, and is based on its "Uniflow" diesel engine of the early 1950s.

Nissan Diesel America is establishing regional offices in the Dallas area for the South, Chicago for the Central U.S. and in a Northeastern area for that region. Hall mentioned New York, New Jersey and the Philadelphia area as possible sites.

Hall said he expected to have "about 80 to 100 dealers before the end of the year."

He said the company will enter the Western U.S. by next year.

A parts warehouse has already been established and stocked in Irving.

Hall said, "We will have spare parts and service support from the beginning."

The first shipment of trucks is now being delivered to entry points in Los Angeles and Jacksonville, Fla., he said.

The first truck model to be sold in the U.S. is called the CPB12 and is rated at 29,760 pounds GVW. It will be available in wheelbases of 177 inches, 208 inches and 238 inches and will accept a body up to 24 feet in length.

The truck will be powered by an in-line six-cylinder, four-cycle, 175-HP naturally aspirated diesel engine and will be equipped with an air-over-hydraulic braking system.

A second cabover straight truck —rated at 32,900 pounds GVW, powered by a 210-HP turbocharged diesel engine and equipped with air brakes—will go on sale in January and a Class 7 tractor follow shortly thereafter.

Nissan's goal for the first six months is about 300 sales, according to Hall.

He said, "I see a little more than that. My estimate between now and the end of the year is 500. I'm ambitious about it."

He added, "Class 6 and 7 is a big market that is still not completely dominated by diesel. There are still a lot of gas-powered units, and the trend continues toward diesel. There is a lot of room in the market and while most of the products seem to look the same, we feel our product is a little unique; it fits the marketplace.

Nissan will fight for a piece of the mid-range market with such recent Japanese entries as Isuzu and Mitsubishi, the European

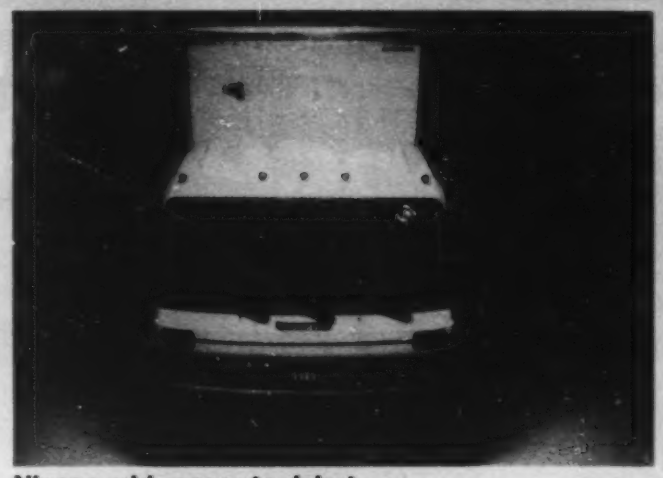
Please turn to Page 35, Col. 1

IH looking for LFE; Nissan may supply it

CHICAGO.—International Harvester reportedly is negotiating with Nissan to bring in a low front entry (LFE) mid-range diesel cabover to complement its own Cargostar.

Company officials have told dealers they are negotiating with a Japanese manufacturer to bring in an LFE. Some dealers reported hearing a deal with Nissan was imminent.

IH's official comment is that "no deal has been struck or consummated in any way, shape or form." IH would not say with whom it is negotiating.



Nissan mid-ranger to debut

Nissan Diesel America, Inc., plans to start sales of this CPB-12 Class 7 diesel truck in the South at the end of this month. The truck is rated at 29,760 pounds GVW and is powered by a 175-HP naturally aspirated in-line six-cylinder diesel engine.

First-half truck sales climb to alltime peak

By Arthur Flax
Assistant Truck Editor

Retail truck sales set an alltime record in the first half of 1985.

Through June, 2,378,351 trucks of all types were sold, up 12.5 percent from the previous record of 2,113,208 in the first half of 1978. Last year, 2,094,336 trucks were sold in the first half.

Light-truck sales also set a record.

In the first six months of this year, 2,235,808 light-duty Class 1-3 trucks were sold, up 13.5 percent

Tables on Page 26

from the former record of 1,971,470 units retailed through June a year earlier.

Medium-duty Class 4-6 sales of 26,939 units through June compared with 26,912 units sold a year earlier.

Heavy-duty Class 7-8 sales of 115,604 represented a 12.0 percent gain over the 103,198 units sold in the same 1984 period.

The sales counts are based on manufacturer's reports for light-duty sales and MVMA preliminary reports of medium and heavy-duty deliveries.

During June, retail outlets sold 383,032 light trucks, 6.9 percent below the alltime June high of 411,267 sales in 1978. In June last year, 338,321 light trucks were sold.

Sales of medium and heavy-duty units, however, dropped slightly during June.

Medium-duty sales totaled 4,356 in June, 1985, down 3.6 percent from the 4,517 units sold a year-earlier.

Heavy-duty sales in June, 1985, were 19,882, down 3.5 percent from the 20,609 units sold in the previous June.

The overall truck sales lead seesawed back to Ford during June as the company sold 116,383 light, medium and heavy-duty units to outpace Chevrolet's 111,151 light and medium-duty sales. Chevrolet held the lead in April and May.

Ford also recaptured the year-to-date truck sales lead it lost in May. In the first half, Ford sold 660,188 light, medium and heavy-duty trucks, compared with

Please turn to Page 26, Col. 3

California to get taste of London

This double-decker Leyland Olympian bus, shown here in London, will be demonstrated in California and Oregon as part of the company's campaign to establish a double-decker market in the U.S. Leyland recently made an agreement for Gillig Corp. to market the Olympian here. The companies believe that up to 10 percent of the 50,000 single-deck buses operating in the U.S. could be switched to double-deckers with significant operating benefits. The 67-seat Olympian is powered by a 240-HP Cummins engine.

DOT allows computer to replace truck log

WASHINGTON.—The U.S. Department of Transportation allowed Frito-Lay, Inc., Dallas, to use an on-board computer from Cadec Systems, Inc., in its truck fleet instead of handwritten log books which DOT requires over-the-road truckers to keep.

The DOT exemption from the current Bureau of Motor Carrier Safety hours-of-service record-keeping requirements is the first major change in the application of BMCS regulations in more than 35 years, according to R. Gregory Wing, Cadec executive vice president.

It is expected to produce major operational cost reductions and improvements in overall fleet safety and pave the way for extensive computerization of the U.S. trucking industry, Wing said.

• Frito-Lay expects to install more than 700 Cummins CADEC 300 Vehicle Information Systems in company trucks by the end of 1986.

Cadec Systems, Londonderry, N.H., markets and distributes its on-board computer systems with Cummins Engine Co., Inc.

Until now, the driver log was the only item Frito-Lay was unable to automate in its truck fleet operation, Wing said.

It has used the system since 1983 to collect and manage trip information, increase dispatcher productivity, reduce driver paperwork and maintenance costs and improve safety.

Wing said his customers had determined their drivers spend up to 40 minutes each day updating logs and doing other paperwork. The Cadec system cuts that to a few minutes, he said.

The Cummins CADEC 300 system consists of an on-board computer mounted in the truck cab; a pocket-sized, portable Memory Module that stores data collected by the unit and a unit to link the system with a personal computer used to run Cadec-licensed software and produce management reports.

Durakon signs Far East deal

LAPEER, Mich.—Durakon Industries, Inc., here, and Alpha Cubic, of Singapore, have signed a one-year agreement that gives Alpha Cubic exclusive distribution rights for Durakon products in Singapore, Malaysia and Indonesia.

The agreement expands Durakon's foreign distribution network. The company operates a subsidiary in Canada and has distribution agreements in Japan and Saudi Arabia.

Durakon produces liners for beds of pickup trucks. Its primary product, the Duraliner, is a one-piece, polyethylene liner that can be custom-molded to fit 97 percent of all pickup trucks.

IH and GM recall trucks for fixes related to safety

International Harvester and General Motors have announced recalls of safety-related components.

International announced the voluntary recall of about 39,600 S-Series, model 1600-1900 trucks and buses with power steering and 10,800- or 12,000-pound-capacity front axles, produced from August, 1977, through September, 1984.

International said steering arms on those vehicles may become brittle and break after an extended series of low-speed tight turns. IH said it will replace the steering arms with stronger units.

Seven steering-arm failures have been reported but no accidents have resulted, IH said.

General Motors is recalling about 600 medium and 1,500 heavy-duty 1983-1985-model-year trucks to inspect brake and cab step components.

GM said the front air-brake hose could rub against the inner fender on certain medium-duty GMC and Chevrolet trucks equipped with tilt hood and 7,000-pound front axle. A worn hose could cause a reduction in air pressure and braking ability.

Dealers will inspect and if necessary install new brake-chamber support brackets, brake-line elbows and hoses.

GM said it is not aware of any failures resulting from the brake hose condition.

On GMC heavy trucks equipped with 30-inch aluminum cab entry steps, dealers will inspect and, if necessary, replace, a mounting strap supporting a cab entry step. GM said it is aware of four minor injuries from falls as a result of broken step supports.

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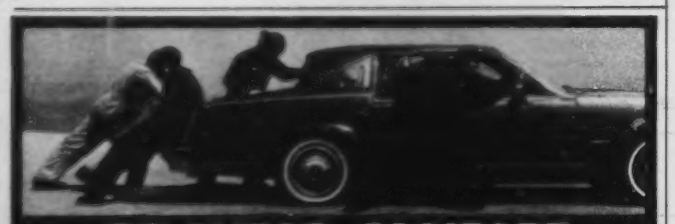

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Appraising 'fair value' of dealership

Continued from Page 25

lership's true net worth—or what the owners can expect to keep if they were to liquidate the dealership in an orderly way (sell all the assets at their current market value, then pay off all debts).

The remaining amount gave us the true replacement value of the dealership. Net Asset value reflects the real value of the assets and under normal conditions should be the absolute lowest price a business owner would accept.

A dealership's net asset value may be above or below the book value, depending on whether the assets are overvalued or undervalued. Before calculating our adjustments, we talked to the owner of the dealership, other people in the auto business and real estate appraisers to calculate the correct adjustments to book value.

The vehicle inventory had the greatest value. We assumed it could be sold at close to wholesale prices, most of it directly to the public at sale prices and the remainder to other dealers at a discount of 10-20 percent from cost.

Those values were determined by estimating daily unit sales, comparing the profit-per-car with selling expenses and then calculating the point in time when the expense of selling would exceed the markup.

At that time, the remaining inventory was assumed to be sold to wholesale purchasers.

Current sales data per each new vehicle retailed showed:

Gross Profit	$1,352
Operating Expenses	– 987
Net (Before Tax)	$ 365

Obviously, the above adjustments and assumptions can vary because of several factors. At the time of our appraisal, 1985 models were coming into (or about to arrive in) dealer's showrooms, which means there would be price competition from all competing new-car dealers trying to move their remaining 1984 cars.

Also, car sales in the late fall and winter months in this area are normally slow. As in the sale of most goods, the most desirable products sell first, therefore slower-moving vehicles (models, colors, options) were assumed to be sold at larger and larger price concessions.

In summary, the vehicles sold last would receive the largest price discounts while those selling first would be sold closer to their retail price.

Following is a checklist of the adjustments we used. All percentages are deductions from book value:

Autos—demonstrators, 20 percent; used, at wholesale; new, zero on popular models, 10-15 percent on others.

Parts, accessories, 10 percent; machinery and equipment, 30 percent; furniture and fixtures, 75 percent; leasehold improvements, 100 percent; real estate owned, as appraised.

Liabilities—vacations and severance pay, as due; contingency warranty claims, 100 percent payable; phase-out costs, as estimated.

The adjusted balance sheet is shown below:

	Import Motors
Current Assets	$1,906,791
Capital Assets	196,814
Other Assets	1,203,405
Total Assets	$3,307,010
Current Liabilities	$1,875,605
Net Worth (book value)	1,431,405
Total Liabilities and Net Worth	$3,307,010

The adjustments to the balance sheet gave us a net asset value of $1,431,405, which should be

Please turn to Page 27, Col. 1

Light-truck sales top 2.2 million for first-half record

Continued from Page 18

Chevrolet's 657,373 light and medium-duty total.

Chevrolet still leads in year-to-date light truck sales but in June, Ford's total of 111,301 sales surpassed Chevrolet's tally of 109,772. A month earlier, Chevrolet had 128,517 light-duty sales compared with Ford's 109,043.

Ford's 660,188 (overall) sales this year topped its year-earlier sales of 599,692 units by 10.1 percent.

Chevrolet's 657,373 (overall) sales this year are 11.5 percent higher than its 589,540 sales a year earlier.

GMC recorded its second-best June sales in history with 32,707 deliveries, just 2.5 percent behind its June, 1978, record of 33,528 sales. Last June, GMC sold 30,257 units.

For the year, GMC's 175,611 sales are 6.1 percent higher than its year-earlier 165,575 sales.

Chrysler's sales of 331,035 trucks this year are 20.5 percent ahead of its 1984 six-month total of 274,813.

Jeep's 77,765 sales this year are 4.0 percent higher than its 74,766 sales through June, 1984.

MAJOR MANUFACTURERS BY SEGMENT

	June		Year-to-Date	
	1985	1984	1985	1984
Light-Duty	111,301	98,039	629,209	574,325
Medium-Duty	3,856	3,841	23,279	19,916
Heavy-Duty	1,226	991	7,700	5,451
Ford Total	**116,383**	**102,871**	**660,188**	**599,692**
Light-Duty	109,772	91,691	647,977	580,901
Medium-Duty	1,379	1,370	9,396	8,639
Chevrolet Total	**111,151**	**93,061**	**657,373**	**589,540**
Light-Duty	28,750	26,209	156,008	145,696
Medium-Duty	2,978	2,638	13,815	12,936
Heavy-Duty	979	1,410	5,788	6,943
GMC Total	**32,707**	**30,257**	**175,611**	**165,575**

LIGHT-DUTY JUNE, YEAR-TO-DATE SALES

	June		Year-to-Date	
	1985	1984	1985	1984
Vans	16,124	14,858	98,299	90,021
Club Wagon	3,368	2,977	18,570	16,943
Ranger	16,971	17,853	135,343	114,336
Bronco	5,064	4,277	26,081	23,954
Bronco II	8,051	8,823	53,533	48,453
Pickups	61,723	49,251	297,383	280,618
Ford	**111,301**	**98,039**	**629,209**	**574,325**
Vans	12,450	13,609	81,178	88,840
Sportsvan	2,074	2,424	12,273	13,214
Astro	11,067	0	41,147	0
S-10	13,455	15,100	115,986	102,607
S-10 Blazer	11,541	12,152	91,232	70,628
El Camino	1,654	2,082	10,201	13,424
Blazer	4,031	3,838	22,360	24,917
Suburban	5,667	4,902	30,981	26,965
Pickups	47,833	37,584	242,619	240,306
Chevrolet	**109,772**	**91,691**	**647,977**	**580,901**
Vans	5,953	7,150	33,436	39,335
Ram Wagon	4,486	4,083	21,947	23,931
Voyager	11,351	8,108	57,528	43,625
Caravan	11,855	8,165	60,949	45,454
Mini Ram Van	2,182	2,657	13,249	7,892
Ram 50	5,102	4,671	37,011	22,512
Other Plymouth Trucks	0	0	0	378
Ramcharger	3,032	2,515	19,888	15,163
Rampage	0	971	0	5,523
Pickups	15,183	12,561	87,027	71,000
Chrysler	**59,144**	**50,881**	**331,035**	**274,813**
Vans	3,919	3,989	21,211	25,176
Safari	3,039	0	9,172	0
S-15	3,160	4,094	26,377	22,834
S-15 Jimmy	3,160	4,094	26,377	22,834
Jimmy	733	773	4,358	4,657
Caballero	252	332	1,281	1,486
Suburban	1,792	1,497	9,272	8,402
Pickups	12,426	11,518	59,659	63,489
P Model	402	566	3,964	2,664
GMC	**28,750**	**26,209**	**156,008**	**145,696**
CJ	3,046	3,891	17,495	19,934
Wagoneer	1,046	1,771	6,359	10,464
Cherokee	8,702	6,597	45,273	31,878
Grand Wagoneer	860	1,483	6,481	8,815
Pickups	196	530	2,157	3,675
Jeep	**13,850**	**14,272**	**77,765**	**74,766**
Toyota	21,743	21,509	154,392	121,814
Nissan	19,701	20,691	136,579	112,186
Mazda	10,701	8,581	53,332	60,038
Isuzu	6,126	4,875	36,423	19,500
Mitsubishi	1,944	1,573	13,088	7,431
Imports	**60,215**	**57,229**	**383,814**	**320,969**
Industry Total	**383,032**	**339,321**	**2,235,808**	**1,971,470**

*Nissan includes domestically-built units in Tennessee.

Automotive News EXTRA
July 15, 1985

SERVICE PROFITS

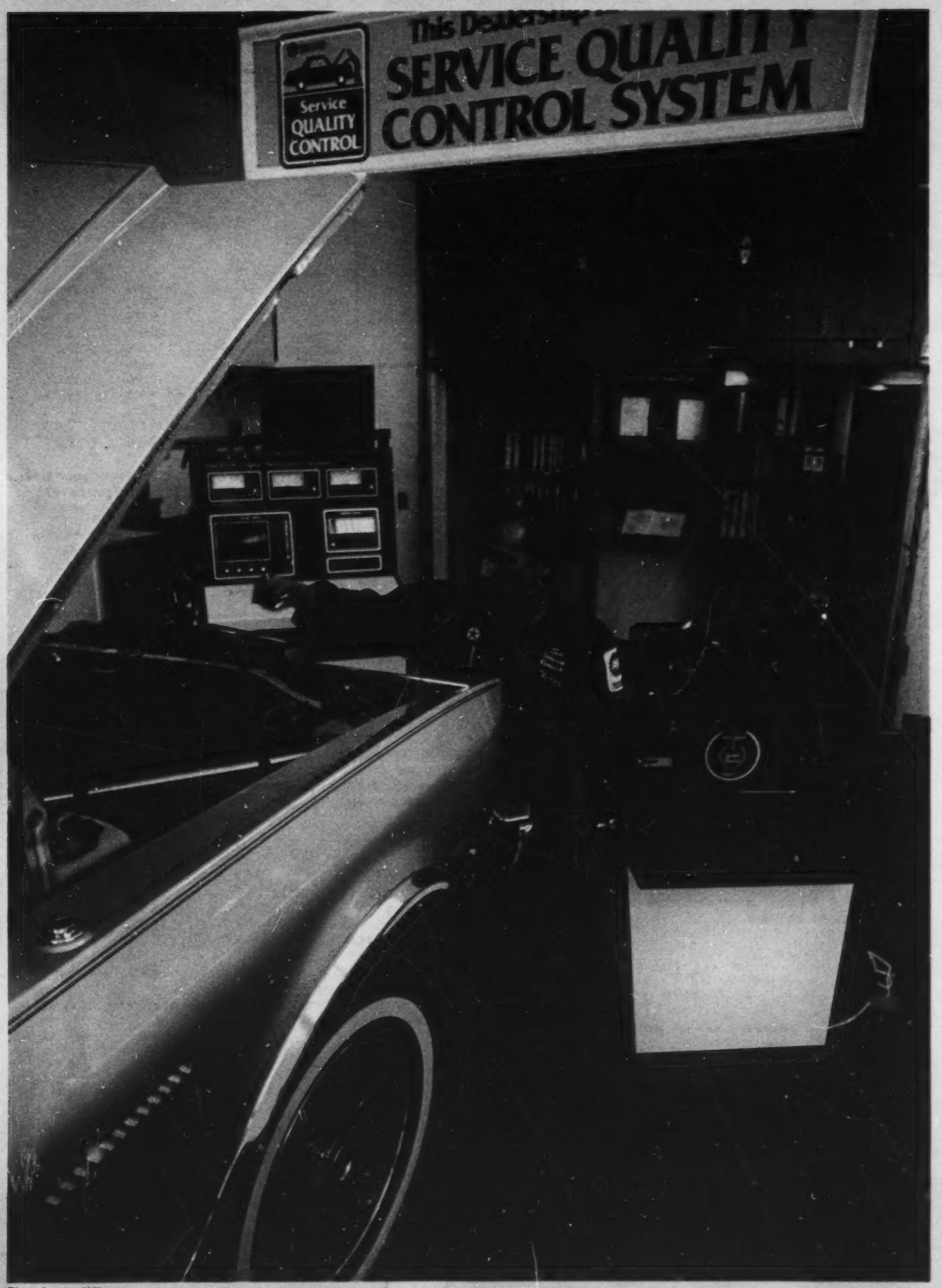

Photo by Joe Wilseens

Outlook for service still upbeat

Dealer shop chiefs note profit potential

By Colleen Belli
Assistant Industry Editor

Satisfying U.S. consumers in an automobile dealership service department has never been an easy task. Today's ever-increasing complex vehicles—with such sophisticated equipment including turbocharged engines, front-wheel drive and electronic gadgetry—make the task even greater.

Today's service manager has to be better educated, better equipped and a better listener than ever before. In short, he or she has to be a professional—in communicating with customers, getting the job done and conducting the proper follow-up.

Although somewhat less so than last year, the nation's dealership service managers are optimistic about the business outlook in the next two years.

While they believe that the new 1985 models are no more profitable to service than older models on the road, they believe that their service department offers a potential for increased profits in the future.

These are the views of the men and women on the firing line with car owners daily, as taken from the third annual *Automotive News* survey of service managers at domestic and import new-car dealerships.

The in-depth look at this special automotive group was taken via a questionnaire sent to service managers throughout the U.S. It reveals that those who head up the nation's service departments typically are:

- Less optimistic about the business outlook for the automobile market in general and their dealerships' part in that business in the future than they were in the previous two years.
- Of the belief that tuneups are adding overwhelmingly to service income, while engine repair and wheel balance contribute less to

Please turn to Page E-2, Col. 1

The service and parts department of tomorrow is here today at Chrysler Corp.'s Service and Parts Operations in Centerline, Mich. This full-scale reproduction of a dealership service and parts operation was designed exclusively for Chrysler's service management training program. It is completely equipped—right down to the paperwork—and has the most modern computer systems for automotive retailing operations. It provides an ideal training environment for dealer personnel who attend Chrysler seminars.

Survey

Continued from Page E-1

the overall profit picture of their service operation.

- Suggesting that extended service contract work is adding to their shop's income, but new-car warranty work is not.
- Confident that their dealerships will buy new service equipment in the coming year and that most of it will be for tuneup and wheel-alignment work.
- Suggesting for the second straight year that new cars are becoming less lucrative to service than older models.
- Stronly believe that the service department offers the potential for increased profits in the future
- On a more personal level, the third annual *Automotive News* survey shows that the majority of the nation's dealership service managers are: 35 to 44 years of age; have one to 11 years of experience as a service manager; were mechanics or write-up people before becoming service managers; earn between $20,000 to $24,999 in annual compensation and that compensation is based on salary plus incentive.

Furthermore, the managers do not believe their salary and benefits are commensurate with their experience.

While the service managers are less optimistic than the last two years, a majority of respondents—61.4 percent—still believe the automobile business will continue to be good in the next two years. This compares with 89.7 percent last year and 89.1 percent in 1983.

The same trend was noted for the outlook of individual dealerships—although the decrease was less severe. A total of 85.7 percent said they believe their dealership's future is bright,compared with 92.1 percent in 1984 and 86.6 percent in 1983.

One of the prime reasons given was the increased complexity of today's automobiles. When the newer, high-tech models need service, consumers chose dealerships rather than independent repair shops.

In addition, several respondents said their dealerships will move into new facilities in the coming year which they feel will boost their business.

About the outlook, a Memphis Ford dealership service manager said, "We no longer hear much objection to car prices; and the retail market need has not caught up."

A Milwaukee GM service manager said, "Interest rates are down, money availability is higher and the job market is up."

A Honda service manager from Montgomery, Ala. noted, "Automotive repair is becoming more complicated, there are less do-it-yourself repairs possible."

A Hicksville, N.Y. Buick dealership service manager attributed the bright outlook to "increasing car sales and the lack of repair knowledge by independent repair shops."

A Pontiac-Cadillac service manager from Worcester, Mass., noted: "All economic indicators point to continued growth."

Another GM dealer shop manager from San Antonio added: "Lower interest rates will generate sales, and service will follow."

Still another Michigan service manager of luxury cars said, "Big business is learning about consumer price fear and labor expense. If they continue to regain control over quality and runaway labor expense, it will be successful."

Please turn to Page E-6, Col. 1

Automotive News Survey of Dealer Service Managers

Question 1: What do you consider the business outlook to be for the automobile market in general and your dealership specifically for the next two years?

	Automobile Market			Dealership		
	% Responses, 1985	% Responses, 1984	% Responses, 1983	% Responses, 1985	% Responses, 1984	% Responses, 1983
Improve	61.4%	89.7%	89.1%	85.7%	92.1%	86.6%
Same	24.3%	7.6%	8.6%	10.0%	5.3%	10.5%
Worse	8.6%	2.7%	2.3%	2.9%	2.6%	2.9%

Question 2: Do you as a service manager, feel thar your service department offers a potential for increased profits in the future?

	% Response, 1985	% Response, 1984	% Response, 1983
Yes	98.6%	97.2%	96.1%
No	1.4%	2.8%	3.9%

Question 3: Do you feel that your dealership management believes the service department offers the potential for increased profits in the future?

	% Response, 1985	% Response, 1984	% Response, 1983
Yes	97.1%	94.4%	95.2%
No	2.9%	5.6%	4.8%

Question 4: Do you, as service manager, believe your dealership is spending enough on advertising and promotion to improve your service business?

	% Response, 1985	% Response, 1984	% Response, 1983
Yes	70.0%	74.3%	66.4%
No	27.1%	25.7%	33.6%

Question 5: Who hires the mechanics in your service department?

	% Response, 1985	% Response, 1984	% Response, 1983
Dealer owner	15.7%	17.8%	12.3%
Dealership manager	5.7%	6.7%	6.2%
Service manager	92.9%	75.5%	81.5%

Question 6: When your dealership buys new service equipment are you involved?

	% Response, 1985	% Response, 1984	% Response, 1983
Yes	100.0%	97.2%	98.4%
No	0.0%	2.8%	1.6%

Question 7: Which statement below best describes your involvement in buying new service equipment?

	% Response, 1985	% Response, 1984	% Response, 1983
Original purchase request	62.9%	39.9%	38.1%
Approve make(s) selected	38.6%	24.3%	24.0%
Negotiate terms	22.9%	3.7%	5.4%
Give advice on needs	37.1%	53.5%	57.7%

Question 8: What type of service equipment does your dealership plan to buy this year?

	% Response, 1985	% Response, 1984
Tuneup	21.4%	27.7%
Wheel alignment	18.6%	21.3%
Wheel balance	10.0%	14.9%
Collision repair	10.0%	12.8%
Brake	7.1%	10.6%
Transmission	2.9%	4.3%
Engine overhaul	2.9%	2.1%
Other	42.9%	6.3%

(Note—question not asked in 1983 survey.)

Question 9: Are new model cars more profitable to service than those of previous years.

	% Response, 1985	% Response, 1984	% Response, 1983
Yes	11.4%	11.8%	14.6%
No	34.3%	52.9%	67.4%
Same	50.0%	35.3%	18.0%

Question 10: How many hours per week is your service department open?

Number of Hours	% Response, 1985	% Response, 1984	% Response, 1983
Less than 45 hours	18.6%	11.1%	23.5%
45 to 50 hours	38.6%	47.2%	40.7%
51 to 55 hours	27.1%	19.4%	19.5%
56 to 60 hours	11.4%	8.3%	9.3%
More than 60 hours	4.3%	14.0%	7.0%

Question 11: How many employes are there in your service department (including parts and service personnel)?

Number of Employes	% Response, 1985	% Response, 1984	% Response, 1983
1 to 10	24.3%	33.3%	27.4%
11 to 20	28.6%	27.8%	25.7%
21 to 30	15.7%	13.9%	19.5%
31 to 40	17.1%	11.1%	13.3%
More than 40	12.9%	13.9%	14.1%

Question 12: What is your most profitable service operation?

	% Response, 1985	% Response, 1984	% Response, 1983
Tuneups	45.7%	48.5%	28.1%
Brakes	25.7%	34.3%	26.5%
Wheel alignment	14.3%	20.0%	15.6%
Transmissions	15.7%	17.1%	23.4%
Collision repair	11.4%	16.4%	13.0%
Wheel balance	7.1%	11.4%	12.5%
Engine overhaul	8.6%	10.5%	25.5%
Other	14.3%	11.4%	12.5%

Question 13: How much do the following contribute to your service profits?

	Significantly	% Responses, 1985 Some	None
New car warranty work	44.3%	48.6%	5.7%
Extended service contracts	17.1%	60.0%	15.6%
	Significantly	% Responses, 1984 Some	None
New car warranty work	48.8%	43.9%	7.3%
Extended service contracts	8.6%	74.3%	17.1%
	Significantly	% Responses, 1983 Some	None
New car warranty work	38.2%	52.3%	9.5%
Extended service contracts	23.4%	60.9%	15.7%

Question 14: What is your age?

	% Response, 1985	% Response, 1984	% Response, 1983
18 to 24	0.0%	0.0%	0.7%
25 to 29	15.7%	9.8%	8.5%
30 to 34	11.4%	19.5%	13.3%
35 to 39	18.6%	29.3%	22.8%
40 to 44	22.9%	7.3%	19.6%
45 to 49	12.9%	4.9%	10.9%
50 to 54	11.4%	12.2%	14.1%
55 to 59	4.3%	14.6%	7.8%
60 to 64	2.8%	2.4%	2.3%

Question 15: Before becoming a service manager at your present or at any other dealership, what type of job did you have?

	% Response, 1985	% Response, 1984	% Response, 1983
Write-up man	42.9%	24.4%	16.9%
Mechanic	48.6%	44.1%	38.1%
Parts Manager	17.1%	9.8%	12.2%
Other	37.1%	21.7%	32.8%

Question 16: How many years have you been a service manager (including time as service manager at previous dealerships)?

Number of Dealers	% Response, 1985	% Response, 1984	% Response, 1983
1 to 3	22.9%	22.9%	20.3%
4 to 7	20.0%	42.9%	21.6%
8 to 11	25.7%	11.4%	15.6%
12 to 15	12.9%	5.7%	14.1%
16 to 19	11.4%	2.9%	10.1%
20 or more	5.7%	14.2%	18.3%

Question 17: What was your total compension last year for being a service manager?

	% Response, 1985	% Response, 1984	% Response, 1983
Less than $15,000	2.9%	2.7%	3.1%
$15,001 to $19,999	10.0%	16.2%	14.0%
$20.000 to $24,999	24.3%	8.1%	15.6%
$25,000 to $29,999	7.1%	27.0%	22.1%
$30,000 to $34,999	10.0%	13.5%	12.5%
$35,000 to $39,999	17.1%	10.8%	14.8%
$40,000 to $44,999	5.7%	6.8%	3.9%
$45,000 to $49,999	7.2%	9.5%	5.5%
$50,000 or more	14.3%	5.4%	8.5%

Question 18: What was your total compensation for being a service manager based on?

	% Response, 1985	% Response, 1984	% Response, 1983
Salary only	8.6%	11.8%	14.1%
Salary + overtime	0.0%	2.9%	2.3%
Salary + bonus	38.6%	41.2%	29.7%
Salary + incentive	50.0%	35.3%	42.2%
Salary + other	5.7%	8.8%	11.7%

Question 19: Do you believe your salary and benefits are commensurate with your experience?

	% Response, 1985	% Response, 1984	% Response, 1983
Yes	51.4%	63.6%	59.7%
No	45.8%	36.4%	40.3%

Note: In some cases totals add to more than 100% because of multiple responses.

Survey

Continued from Page E-2

Among the respondents who believe the business outlook will become worse in the next two years, an import dealership service manager from Arkansas stated, "The new car quality is poor and the front-wheel-drive models will not hold up."

Another dual Ford-Isuzu service manager said, "I look for the new sales to lighten up due to increased interest rates."

Several other shop managers cited local conditions which will lead to a decline in their business.

Of those responding to the survey, the top nameplates were Chevrolet and Buick, each representing 12.9 percent of the total, with Honda the top import brand.

Some 37 percent of those surveyed work for single-franchise dealers in 1985, the same as last year but down from 44 percent in 1983. Cadillac continues as the top dual franchise among domestic brands; BMW and Isuzu among imports.

Of those responding to the survey, 46 percent work at dealerships that sold between 400 and 1,299 cars last year. Additionally, 24 percent work for smaller retail outlets with volumes up to 399 units.

Also among the respondents, 27 percent live in cities or towns with a population of 50,000 to 249,999 people while the majority—41 percent—were from smaller towns of less than 50,000 people.

An overwhelming 97.1 percent of respondents feel their dealership management believes the service department offers the potential for increased profits in the future. This compares with 94.4 percent last year and 95.2 percent the previous year.

Many cited their dealer's involvement in the service department as a positive factor. Another prime reason given was improved training for service mechanics and other service personnel.

A Dayton Oldsmobile-Cadillac service manager said, "Each day we grow bigger and bigger, and if the department is run correctly, there is no reason why profits should not grow."

A Subaru manager from Vermont cited "better controls, an increase in service hours and service promotions" as the key to increased profits.

A Newark, N.J. Chrysler-Plymouth-Ford-Toyota service manager said "a new facility with state-of-the-art equipment and a professional management team" will increase profits.

Another reason for brighter profits is "because of the computer age. It has hit the auto industry," said an Oldsmobile-Chevrolet service manager from Carbondale, Ill.

A Memphis Ford dealer said, "We are going after increased maintenance sales and controlling expenses."

A Cadillac-Rolls Royce service manager from Michigan said, "We are presently adding a 150-foot extension to our building to try to accommodate our overcrowded, 28-bay service area."

Still others cited new tasks to increase profits include conducting phone surveys after repair work is done and doing more work in-house that used to be sublet.

• A majority of those surveyed —70 percent—feel their dealerships are spending enough on advertising and promotion to increase service business while 27.1 percent believe promotional activity should be increased. This compares with 25.7 percent last year and 33.6 perrcent in 1983.

Among those who believe they are spending enough, a Stockton, Calif. Chevrolet-Chrysler service manager said, "I don't believe that advertising is the key. By doing quality work and backing it, your customers do the advertising for you."

Another Oldmobile-Chevrolet service manager from Carbondale, Ill., suggested no further advertising is needed because "we very seldom have any empty service stalls." Several others also reported they already have enough repair work to keep their shops busy without further promotion.

An overwhelming majority of the service managers—92.9 percent this year— said they are responsible for hiring new mechanics in the shop rather than the dealership owner or manager. This compares with 75.5 percent in 1984 and 81.5 percent in 1983.

A Lakeland, Fla. Mazda-Volkswagen service manager said, "I'm responsible for our department's success or failure, and I am trusted to make thse decisions."

A Gary, Ind. Cadillac shop manager stated, "It has proven best when applicants are screened by service people."

A Tucson, Ariz. Chrysler service manager believes the service manager should choose new mechanics because "they work under a system of satisfaction and caring about their work."

A Chevrolet-Mazda-Mercedes Benz service manager from Valoosta, Ga., said he and the dispatcher choose potential new candidates because "we are the most qualified people here to evaluate technicians."

It is the feeling of service managers surveyed that new-model automobiles offer less service-profit potential than those of past years. Only 11.4 percent say they expect 1985 cars and trucks to be bigger profit generators than their predecessors. This was about the same level in the prior two years surveyed. The major reasons cited were improved quality, extended warranty coverage by the factories and less maintenance requirements.

A Dayton GM service manager explained, "With the new warranties, the customer pay work will be less per car."

A White River Junction, Vt. Ford service manager said, "The quality is better than in past years."

Another Ford service manager from Memphis explained, "There are longer maintenance intervals. The '85 models have not yet reached the time or mileage for high repair needs."

A multi-brand manager from Trenton, N.J. said, "With new equipment, it's easy to find problems."

Among the respondents, 45.7 percent cited tuneups as their most profitable service operation and 25.7 percent cited brakes. A domestic dealer from California attributed his success in these areas to properly trained personnel.

A GM service manager from Illinois said that because of the complications of models since 1981 more customers are bringing their vehicles to his dealership for tune-ups.

A Huron, O. multi-brand import dealer service manager cited tune-ups as the major money-maker and explained: "These are basic repairs which do not have many time control problems."

Another service manager from Michigan said of tuneups, "Outside shops don't know how anymore, its a lot more than plugs and timing and filters."

Among those who noted other operations, many said scheduled maintenance was their most profitable. A Tri Cities, Wa. GM service manager said, "It is fast and has a low come-back rate."

A Honda service manager from Conroe, Tex. said, "Scheduled maintenance has good labor dollars in relation to actual time needed for repair."

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PENNZOIL KONTAX-II
SELLS MORE SERVICE.

Dealers reap $30.7 billion in service

They account for 32% of the domestic service and parts total

By Jack Walsh
Service Editor

Almost $95 billion was spent in the U.S. during 1984 in the service and parts market, according to data compiled by NADA's Industry Analysis Division, and franchised new-car dealers accounted for 32 percent of the total.

Aftermarket volume for the year was up 10.5 percent over 1983 to approximately $94.7 billion, compared with the previous year's $35.7 billion, and was 40 percent higher than the $67.7 billion spent in 1979.

According to the NADA study, an estimated $33 billion was spent during the year on service labor, $46 billion on parts and accessories, and $16 billion on tires.

Although new-car dealerships accounted for almost a third of the total service and parts volume during the year, they represented only 8 percent of all auto-repair facilities across the nation.

"This disproportionate market share," NADA explained, "reflects the dealer's propensity to do more difficult and more expensive repairs, as well as the fact that new-car dealerships have larger facilities on average."

During the year, the study showed, the nation's 24,725 new-car dealerships accounted for an estimated $30.7 billion in service and parts business, an increase of 14.6 percent over the year-earlier $26.8 billion and 32.9 percent greater than the $32.1 billion recorded in 1979.

"The average dealer in 1984 had a 6 percent increase in dollar sales per repair order and a 7 percent increase in the number of repair orders performed," NADA noted, "with warranty work exhibiting the greatest increase in dollar sales.

"The recovery in new-vehicle sales over the past two years has meant that vehicles still covered by warranty make up a greater percentage of all vehicles in operation," the report added.

During the year, dealers' total service labor sales amounted to approximately $12.7 billion, a gain of 14.4 percent over the previous year's $11.1 billion. Total service and parts volume was up 14.6 percent, from $26.8 billion in 1983 to $30.7 billion a year ago.

On the service-labor side, warranty work totaled $1.8 billion in 1984, an increase of 20 percent over the year-earlier $1.5 billion. Warranty-parts sales were up 35.8 percent to approximately $2.3 billion, compared with $1.7 billion in 1983.

Dealers' customer-paid mechanical and body labor sales a year ago totaled an estimated $7 billion, a gain of 11.1 percent over the previous year's $6.3 billion. Sales of parts used in customer-paid repairs in 1984 were up 9.6 percent, $5.7 billion versus $5.2 billion.

Sales of parts by dealers' shops to outside customers during the year totaled approximately $2.3 billion, an increase of 4.5 percent over the year-earlier $2.2 billion.

Last year, according to the NADA study, there were 299,125 auto-repair facilities in the U.S., with independent shops accounting for slightly more than 60 percent of the total, or approximately 183,000 outlets.

NADA said the count includes only those shops which do "significant" repair work—beyond simple oil changes and lube jobs and/or those outlets that receive at least 2 percent of total dollar revenue from service labor.

In addition to franchised new-car dealers and independent shops, the list included 69,000 service stations, 19,000 TBA (tire, battery and accessory) dealers, 2,000 mass merchandisers and 1,400 "others," such as non-franchised dealers, farm-equipment dealers and fleet shops.

NADA said service and parts sales by the independent and franchised repair shops in 1984 totaled approximately $25.6 billion, compared with $23.1 billion the previous year. TBA dealer volume increased from $18.7 billion in 1983 to $20.5 billion last year.

Totals for the other types of repair facilities were: Service stations, $7.9 billion in 1984 versus $7.5 billion the previous year; mass merchandisers, $7.9 billion versus $7.6 billion, and all others, $2.1 billion versus $2 billion.

Number of Auto Repair Facilities—1984

Franchised New Car Dealerships	24,725
Auto Repair Shops*	183,000
TBA Dealers	19,000
Service Stations†	69,000
Mass Merchandisers	2,000
All Other	1,400
Total	299,125

*—Includes independent and franchised repair shops.
†—Includes only those outlets that perform "significant" repair work, (i.e. those establishments that perform work beyond simple oil changes or lube jobs and/or those establishments that receive at least 2% of total dollar revenue from service labor.
Source: NADA Industry Analysis Division

Total Service and Parts Market
(Billions of Dollars)

	1979	1980	1981	1982	1983	1984
Franchised New Car Dealerships	$23.1	$22.7	$23.1	$24.5	$26.8	$30.7
Auto Repair Shops*	17.7	18.8	19.9	21.0	23.1	25.6
Tire, Battery, and Accessory Dealers	13.3	14.7	16.1	17.0	18.7	20.5
Gasoline Service Stations	5.8	6.3	6.6	6.8	7.5	7.9
Mass Merchandisers	6.0	6.2	6.8	7.0	7.6	7.9
All Others**	1.8	1.8	1.9	2.0	2.0	2.1
Total	67.7	70.5	74.4	78.3	85.7	94.7

*Includes independent and franchised repair shops.
**Includes non-franchised dealers, farm, equipment dealers, and fleet shops
Note: Revenue for each type of repair facility includes tire sales.
Source: NADA Industry Analysis Division and U.S. Bureau of Census.

Franchised New Car Dealer Service and Parts
(Millions of Dollars)

	1983	1984	Percent Change
SERVICE LABOR SALES			
Customer Mechanical	4,365	4,810	10.2
Customer Body	1,917	2,189	14.2
Warranty	1,484	1,845	24.3
Sublet	931	1,094	17.6
Internal	1,540	1,794	16.5
Other	841	993	18.0
Total Service Labor	11,078	12,725	14.9
PARTS SALES			
Customer Mechanical	3,199	3,498	9.4
Customer Body	1,962	2,224	13.4
Wholesale	5,080	5,704	12.3
Counter	1,301	1,363	4.7
Warranty	1,693	2,314	36.6
Internal	1,568	1,866	19.0
Other	878	969	10.3
Total Parts	15,681	17,938	14.4
TOTAL SERVICE & PARTS	$26,759	$30,663	14.6

Source: NADA Industry Analysis Division

Computers

Continued from Page E-14

—it's on a lease-buy option where the buyout is $1—he has gained 15 terminals and a computer system to run them. It's a real savings, when the cost of the equipment is considered.

Like the Bauer experience, Steele has found that this system has helped to increase efficiency with parts and in the office.

As for scheduling, it has enabled this south-of-Boston dealership to become more efficient, with fewer overbookings and fewer cars sitting overnight.

"Before we had this system," Steele said, "we used to guesstimate the number of cars we could handle during the day, but using this system we can now schedule appointments based on the skills available.

"The system looks at the available technicians and their skill levels and tells us how many cars we can book, based on those skills and the number of hours they represent. Of course, it doesn't solve personal problems such as when a technician is sick, but it does show us how many hours we have left in a day and how much to book."

Overall, this has helped to build customer confidence and satisfaction, Steele said, because it now means a customer can be informed early if a car will be tied up, which makes the dealership more professional to the customer.

On another level, Steele and his staff have come to depend on the computer system. "Now that we have it, we don't realize how much we depend on it. If the system goes down, we really miss it and I hear about it because everyone starts screaming."

Like Bauer's Craft, Steele estimates his staff's productivity has increased by 15 to 20 percent with the computer system.

On average, this medium-sized dealership runs 35 cars a day through its 14 service stalls. This turns in a gross of $45,000 per month or $540,000 per year. The parts operation "does a little better," Steele said.

Another veteran of dealership computerization is Ron Remy, manager for many years of R.H. Long Motor Sales, Inc., Framingham, Mass. Long, a Pontiac-Cadillac-GMC dealer for more than 50 years, has two in-house computer systems. A Dyatron and a Tricom are used specifically for service. The dealership has been computerized for six years.

With these systems, Remy has seen his operation become much more efficient through the years. They have enabled the service staff—which includes 24 technicians, four service writers, an assistant service manager, a warranty administrator and three shop foremen—to become far more efficient at scheduling cars in and out of the dealership's 66 service, body, used-and-new-car stalls.

"We used to let people come in off the street for service. Now, if the system says we can't, we reschedule them to another day," Remy said. It enables his staff to smooth the workflow and eliminate bottlenecks.

Long Motor Sales makes complete use of its computer system. For example, Remy said, it is going all day long, handling various functions from payroll to accounting and parts. It is also capable of handling service merchandising.

From a merchandising standpoint, the system is valuable because of the five-year history which is maintained on every car the dealership sells. Since the system also flags mileage versus services needed, it can alert the service staff to send out mailings to customers whose cars need service.

In what may become the largest dealership in the world, Henry Butts Oldsmobile recently broke ground for a new 250,000-square-foot dealership on 25 acres in Dallas. It was designed by J. Roger Crownrich & Associates Inc.

Designing tomorrow's service department

Texan foresees biggest changes in customer reception area

DALLAS.—Scratch a Texan and you'll find someone with a way with words, and J. Roger Crownrich, president of the construction firm here which bears his name, is no exception.

For instance, when the specialist in designing, engineering and constructing dealerships was asked for examples of radical change in that area today, he responded: "Inch by inch, anything's a cinch. It's just a little bit here and there on a year-in, year-out basis. We keep changing, making improvements, adapting."

Crownrich has been in construction for 39 years and has specialized in dealerships for the past 25 of those years. "We've probably done a couple of hundred dealerships. In some cases, we've provided just the plans but, in most cases in the Dallas/Fort Worth Metroplex, we've done the construction, also.

"It's a turn-key operation, a design-build concept where the design, engineering and construction are handled turn-key with one company. That means there's one person to look to if there's a problem," he said. His company has done dealerships in cities as far away as San Antonio, Tex., and Jackson, Miss.

Obviously, someone in a position such as that occupied by Crownrich would know the ins and outs of dealership operations and from whence the profits can come. He also must have a pretty good crystal ball.

"If everything is done right, customer labor—and most dealers refer to service as customer labor—can pretty well take care of the overhead of the whole establishment. It can handle the debt service on all physical improvements and everything from car sales goes to other things," he said.

One part of the dealership changing rapidly is the service write-up zone, he said. "Years ago, we thought of the customer reception area as where the customers drove in. For a long time, they just drove into the shop and pulled up by the side of the stall. That was just ridiculous, but that was the way it was done.

"Then we began putting canopies on the outside for a little shelter. Then we started putting doors on them, bringing the service files out into that area and maybe having a refreshment stand. Then along came computers, CRTs and printers. Nearly all the service writers now are calling up the service history and the data on the car on their CRTs rather than going to the service files.

"Now all of a sudden we need air-conditioned space, and we've got customer-reception areas that are entirely different. The customers drive in and the service advisers can look out and see them

Please turn to Page E-20, Col. 3

IMPORT REGISTRATION SHARES IN U.S.

	APRIL					FOUR MONTHS				
	Regis., Apr., 1985	Percent Share of Market	Regis., Apr., 1984	Percent Shareof Market	Pct. Pt. Change '85 vs. '84	Regis., 4 mos., 1985	Percent Share of Market	Regis., 4 mos., 1984	Percent Share of Market	Pct. Pt. Change '85 vs. '84
Honda	47,114	21.85	40,355	21.52	+0.33	171,601	20.36	154,679	19.94	+0.42
Nissan	37,735	17.50	34,009	18.13	−0.63	152,694	18.12	144,906	18.68	−0.56
Toyota	33,223	15.41	30,340	16.18	−0.77	152,143	18.05	142,688	18.40	−0.35
VW	15,639	7.26	13,732	7.32	−0.06	55,148	6.54	49,790	6.42	+0.12
Mazda	14,440	6.70	12,552	6.69	+0.01	54,532	6.47	53,030	6.84	−0.37
Subaru	11,833	5.49	10,042	5.35	+0.14	46,579	5.53	45,475	5.86	−0.33
Volvo	8,436	3.91	9,088	4.85	−0.94	32,367	3.84	33,596	4.33	−0.49
Mercedes	7,702	3.57	6,655	3.55	+0.02	28,610	3.39	26,853	3.46	−0.07
BMW	7,122	3.30	6,049	3.22	+0.08	26,422	3.14	21,835	2.82	+0.32
Audi	6,287	2.92	5,834	3.11	−0.19	22,658	2.69	21,355	2.75	−0.06
Others	26,071	12.09	18,898	10.08	+2.01	99,985	11.87	81,477	10.50	+1.37
TOTAL	215,602		187,554			842,739		775,584		
Share of U.S. Total		23.05		22.42	+0.63		24.61		24.23	+0.38

1984 numbers for New York State and Oklahoma, and Oklahoma, 1985, from manufacturers' sales records.

But April market share is lowest of 1985

Import registrations rise for month

By Jenny L. King
Detroit Reporter

Registrations of new imported cars in the U.S. in April jumped 14.95 percent from the year-earlier month and claimed 23.05 percent of the total market.

The import share, although up from 1984, was the smallest for any month so far this calendar year. Imports took 26.41 percent of new-car registrations in January, but their share has dwindled each month since then.

According to figures compiled by R.L. Polk & Co., April import registrations numbered 215,602, up 14.95 percent from 187,554 in 1984, when they represented 22.42 percent of the total market.

Top-import Honda was 10,000 units above second-place Nissan in April, with Honda earning 21.85 percent of the import segment and Nissan holding 17.50 percent. Polk counts all products of both companies as imports despite the fact that some of their cars are made in the U.S. Polk does the same for Volkswagen.

Toyota, with no U.S. products to swell its ranks, wound up in third place with registrations of 33,223 new cars and 15.41 percent of the import market, some 5 percentage points below its bygone 20-plus percent. VW was a distant fourth, with 7.26 percent of the market, followed by Japanese makers Mazda and Subaru.

Volvo was seventh, Mercedes-Benz eighth, BMW ninth and Audi 10th, just as they had been in April, 1984. Of the Europeans, Mercedes and BMW gained slightly in their shares of the import market; Volvo and Audi lost 0.94 percentage points and 0.19 percentage points, respectively.

The top 10 imports claimed 87.91 percent of the market this April, compared with 89.92 percent in 1984.

Import registrations in the first four months increased 8.64 percent, to 842,739 from 775,684. Their share of the total U.S. market edged up to 24.61 percent from 24.23 percent a year earlier.

Honda, with 20.36 percent of the four-month market, had the deepest penetration and also enjoyed a 0.42 percentage-point growth from its 19.94-percent share in 1984.

Mazda and BMW were the only other major importers to increase their portions of the import market the first four months. Mazda was up 0.12 percentage points and BMW grew 0.32 percentage points.

In contrast, Toyota slipped 0.56 percentage points, Nissan was down 0.35 percentage points, VW dropped 0.37 percentage points and Subaru was off 0.33 percentage points.

Volvo lost 0.49 percentage points, Mercedes was down 0.07 percentage points and Audi dropped 0.06 percentage points.

Ten makes held 88.13 percent of the market, down from 89.50 percent the first four months of 1984.

Japan's share of the import market, once as high as 80 percent, stood at 67.66 percent in April, 1985, down slightly from 67.78 percent percent a year earlier. Germany climbed to 15.12 percent from 14.81 percent, the U.S. share was up to 9.57 percent from 8.57 percent and Sweden fell to 5.54 percent from 6.46 percent.

April import registrations by country of origin were:

	April, 1985	April, 1984
Japan	145,867	127,122
W. Germany	32,597	27,770
United States	20,642	16,069
Sweden	11,946	12,115
France	2,055	2,457
Great Britain	1,778	1,439
Italy	717	555
Ireland	0	27
TOTAL	215,602	187,554

For the four months, Japanese cars accounted for 70.24 percent of the total, down some from 70.61 percent in 1984. German products edged up to 13.97 percent from 13.57 percent, while foreign cars assembled in the U.S. climbed to 8.47 percent from 7.77 percent. Numbers were as follows:

	4 Mos., 1985	4 Mos., 1984
Japan	591,975	547,994
W. Germany	117,720	105,260
United States	71,421	60,279
Sweden	44,657	44,457
France	8,471	10,259
Great Britain	6,273	5,649
Italy	2,222	1,664
Ireland	0	122
TOTAL	842,739	775,684

Registrations of new imported trucks leaped 36.49 percent April to April, moving to 80,315 from 58,843. Totals for the major manufacturers were:

	April, 1985	April, 1984
Toyota	30,533	21,630
Nissan	22,399	17,213
Mazda	8,078	9,899
Isuzu	6,766	0
Dodge Ram 50	0	3,268
Others	12,539	6,833
TOTAL	80,315	58,843

Year-to-date imported-truck registrations were up 37.28 percent through April, to 304,853 from 222,073. Numbers were as follows:

	4 Mos., 1985	4 Mos., 1984
Toyota	113,440	81,444
Nissan	89,508	65,488
Mazda	34,089	37,793
Dodge Ram 50	24,267	12,338
Others	43,549	25,010
TOTAL	304,853	222,073

TOP CARS

U.S. registrations for Four Months, 1985 vs. 1984 Oklahoma and New York, 1984, and Oklahoma, 1985, from manufacturers' sales records.

1985 Position		Make	1984 Position
1—	500,060	Chevrolet	505,661 — 1
2—	463,128	Ford	410,758 — 2
3—	334,465	Oldsmobile	357,878 — 3
4—	277,189	Buick	281,963 — 4
5—	237,985	Pontiac	215,897 — 5
6—	175,654	Mercury	161,417 — 6
7—	171,601	Honda	154,679— 7
8—	156,543	Dodge	110,739— 10
9—	152,694	Toyota	144,906 — 8
10—	152,143	Nissan	142,688 — 9
11—	128,919	Plymouth	90,426 —13
12—	113,406	Chrysler	93,069 —12
13—	91,274	Cadillac	96,097 —11
14—	55,372	Lincoln	41,100 —18
15—	55,148	Mazda	49,790 —16
16—	54,532	VW	53,030 —15
17—	47,322	AMC	60,819 —14
18—	46,579	Subaru	45,475 —17
19—	32,367	Volvo	33,596 —19
20—	28,610	Mercedes	26,853 —20
21—	26,422	BMW	21,835 —21
22—	22,658	Audi	21,355 —22
	99,985	Other Imports	81,477
	69	Misc. Dom.	78
	3,424,125	TOTAL	3,201,586

Automotive News analysis of new-car registrations based on R. L. Polk & Co. statistical report.
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MARKET SHARES

4 MONTHS
1985 VS. 1984

Make	1985 Market Share	1984 Market Share	Pct. Pt. Change '85 vs. '84
Chevrolet	14.60	15.79	−1.19
Ford	13.52	12.83	+0.69
Oldsmobile	9.76	11.18	−1.42
Buick	8.10	8.81	−0.71
Pontiac	6.95	6.74	+0.21
Mercury	5.13	5.04	+0.09
Honda	5.01	4.83	+0.18
Dodge	4.57	3.46	+1.11
Toyota	4.46	4.53	−0.07
Nissan	4.44	4.46	−0.02
Plymouth	3.77	2.82	+0.95
Chrysler	3.31	2.91	+0.40
Cadillac	2.67	3.00	−0.33
Lincoln	1.62	1.29	+0.33
Mazda	1.61	1.56	+0.05
VW	1.59	1.66	−0.07
AMC	1.39	1.90	−0.51
Subaru	1.36	1.42	−0.06
Volvo	0.95	1.05	−0.10
Mercedes	0.84	0.84	−0.00
BMW	0.77	0.68	+0.09
Audi	0.66	0.67	−0.01
Other Imports	2.92	2.53	+0.39
Misc. Dom.	0.00	0.00	−0.00
TOTAL	3,424,125	3,201,586	

Based on new-car registrations from R. L. Polk & Co. Oklahoma and New York, 1984, and Oklahoma, 1985, numbers from manufacturers' sales records.

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Toyota to reduce exports to China

TOKYO.—Based on results of an internal survey that indicates China will sharply reduce imports because of limited capacity of port facilities, Toyota Motor Corp. will cut its exports to that country to 3,000 units a month.

Toyota's exports of trucks and other completed units to China reached 8,400 in November, 1984, a ninefold increase from the year before. They have remained between 9,500 and 12,000 units since December, 1984.

Toyota said it expects to boost shipments to China to 5,000 to 6,000 units in April or May, 1986.

De Tomaso posts profit; had loss a year earlier

RED BANK, N.J.—De Tomaso Industries, Inc., the Italian maker of motorcycles, Innocenti minicars and Maserati luxury cars, announced a profit for the quarter ended March 31, compared with a loss the previous year.

Net income was 2,772 million Italian lire, equivalent to $1.4 million based on current exchange rates, compared with a loss in the corresponding quarter last year equal to $1.6 million.

Sales were down 6.2 percent at 93,650 million lire, or $46.2 million, compared with last year's $52.4 million.

The company managed to cut its costs by 12 percent.

President Alejandro De Tomaso attributed 1985's improved profit picture to the inclusion of Maserati's results in the company's consolidated financial statements. The company increased its equity in Maserati to 90 percent on Dec. 31, 1984.

The merger of Maserati and Nuova Innocenti S.p.A. was finalized June 14. De Tomaso Industries' equity interest in the merged companies amounts to 65.19 percent, with the surviving company known as Maserati.

factories list auction dates

American Motors

July 16— Aptco Auto Auction, Taylor, Mich.

July 17—Kansas City Auto Auction, Kansas City; Mid-States Auto Auction, South Bend; Southern Auto Auction, Warehouse Point, Conn.

July 18—Evansville Auto Auction, Evansville, Ind.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Northway Exchange, Clifton Park, N.Y.

July 23—Arena Auto Auction, Chicago; High Point Auto Auction, High Point, N.C.; D-A Auto Auction, New Stanton, Pa.

July 24—Columbus Fair Auto Auction, Obetz, O.; Central States Auto Auction, Mason City, Ia.; Metro Milwaukee Auto Auction, Caledonia, Wis.

July 25—Evansville Auto Auction, Evansville, Ind.; Corry Auto Auction, Corry, Pa.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Todd Auto Auction, Telford, Pa.; Northway Exchange, Clifton Park, N.Y.

July 26—Floyd Haughe Auto Auction, Bridgeton, Mo.

July 30—Aptco Auto Auction, Taylor, Mich.

July 31—Kansas City Auto Auction, Kansas City; Mid-States Auto Auction, South Bend.

Chrysler Corp.

July 16—Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Salt Lake Auto Auction, Salt Lake City; Golden Gate Auto Auction, Fremont, Calif., and Florida Auto Auction of Orlando, Ocoee, Fla.

July 17—Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, O.; Southwest Auto Auction (mini), Phoenix, and South Seattle Auto Auction, Kent, Wash.

July 18—Fredericksburg Auto Auction, Fredericksburg, Va., and Atlanta Auto Auction, Red Oak, Ga.

July 23—Hatfield Auto Auction, Hatfield, Pa.; Aptco Auto Auction, Taylor, Mich., and NuCarPrep Syustem, Santa Fe Springs, Calif.

July 24—Butler Auto Auction, Gibsonia, Pa.; Sand Mountain Auto Auction, Boaz, Ala.; Minneapolis Auto Auction, Plymouth, Minn., and Dallas Auto Auction, Grand Prairie, Tex.

July 25—Clanton's Auto Auction, Darlington, S.C., and Indianapolis Auto Auction, Indianapolis.

July 26—Concord Auto Auction, Acton, Mass., and Floyd Hauhe Auto Auction, Bridgeton, Mo.

July 30—Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Golden Gate Auto Auction, Fremont, Calif., and Florida Auto Auction of Orlando, Ocoee, Fla.

July 31—Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, O., and South Seattle Auto Auction, Kent, Wash.

Aug. 1—Fredericksburg Auto Auction, Fredericksburg, Md., and Atlanta Auto Auction, Red Oak, Ga.

Ford Motor Co.

July 17—Columbus Fair Auto Auction, Obetz, O., and Concord Auto Auction, Acton, Mass.

July 18—Arena Auto Auction, Chicago, Ill., and Dallas Auto Auction, Dallas.

July 24—Lakeland Auto Auction, Lakeland, Fla., and Brahser's Southern California Auto Auction, Fontana, Calif.

July 25—Aptco Auto Auction, Taylor, Mich.; 166 Auto Auction, Springfield, Mo., and Skyline Auto Exchange, Fairfield, N.J.

July 31—Northway Exchange, Clifton Park, N.Y., and Clanton's Auto Auction, Darlington, S.C.

Aug. 1—Floyd Hauhe Auto Auction, Bridgeton, Mo.; Big H Auto Auction, Houston and Denver Auto Auction, Englewood, Colo.

General Motors

July 16—Florida Auto Auction of Orlando, Orlando, and Denver Auto Auction, Englewood, Colo.

July 17—Northstar Auto Auction, Shakopee, Minn., and Brasher's Auto Auction, Fontana, Calif.

July 18—Nashville Auto Auction, Nashville, and Ohio Auto Auction, Columbus, O.

July 23—Southern Auto Auction, East Windsor, Conn.; South Seattle Auto Auction, Kent, Wash., and Clanton's Auto Auction, Darlington, S.C.

July 24—Omaha Auto Auction, Omaha, and Indianapolis Auto Auction, Indianapolis.

July 31—Brasher's Salt Lake Auto Auction, Salt Lake City, and Metro Auto Auction, Kansas City.

Used Car Sales
Auction Averages

July to date	$4,270
Month ago	$5,333
Year ago	$4,857

Model Breakdown
Auction Averages

	JULY, TO DATE	JUNE, 1985	MAY, 1985
1985	$10,847	$11,181	$11,515
1984	$6,746	$8,061	$8,553
1983	$5,159	$6,306	$6,474
1982	$4,587	$5,544	$5,381
1981	$3,656	$4,536	$4,339
1980	$3,034	$3,528	$3,226
1979	$2,492	$2,953	$2,706
1978	$1,893	$2,114	$2,039
Overall Average	$4,270	$5,296	$5,203

Stower appointed

ATLANTA.—John E. Stower has been named general manager of the Atlanta Auto Auction, which is part of the Manheim group. He has been assistant general manager of Manheim's flagship auction in Manheim, Pa.

Signing with Ford

Al Castrucci signs for Al Castrucci Ford Sales, Inc., Milford, O., as J.F. Gwaltney, Ford Division Cincinnati district sales manager, looks on.

Imports notch 16.9-pct. gain in Japanese market

TOKYO.—New imported-car registrations in Japan totaled 3,954 in April, an increase of 16.9 percent over the year-earlier 3,382, according to the Japan Automobile Importers Assn.

New autos from Germany dominated the import market, totaling 3,135. Following were U.K., 206; Italy, 202; Sweden, 169; U.S., 148; France, 78, and others, 18.

Leading makes were: BMW, 1,074; Mercedes-Benz, 808; Volkswagen, 758; Audi, 423; Mini, 128; Volvo, 116; Autobianchi, 87; Fiat, 64; Saab, 53; Porsche, 50; Ford, 45; Jaguar, 39; Citroen, 38; Renault, 31; Chevrolet, 25, and Cadillac, 23.

used-car auction directory

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Stellar is hot in Canada for Hyundai

Continued from Page 3

is effective immediately. However, a new 6 percent duty on autos imported from developing nations won't take effect until Jan. 1, 1987.

A Hyundai Canada spokeswoman said it is "a little early" to decipher tradein patterns for the Stellar.

"Some are trading up and some are trading across," she said. "It will probably be fall before we can really tell."

The car is targeted at models like the Toyota Camry and Honda Accord, she said. List price for the Stellar SL four-door sedan with 5-speed manual transmission is $8,995. The GSL version retails for $10,495.

The Giugiaro-styled Stellar, which is based on Ford of Europe's Cortina, bears distinct European lines. Standard features on both the SL and GSL include a collapsible steering column, trip odometer, dual sun visors, remote trunk release, fully reclining front bucket seats and lumbar support adjuster.

Standard on the GSL edition are tachometer; power windows, door locks and outside mirrors; full cloth seat upholstery; styled wheel covers; tilt adjustable driver's seat and front headrests; rear-seat center armrest and headrests; rear reading lights, and other adornments.

A 5-speed manual transmission is standard on both the SL and GSL models.

The Stellar was responsive and provided a firm ride during a test drive. Front suspension is independent wishbone with coil spring. Rear suspension is 4-link type with taper coil spring.

The standard 1.6-liter overhead cam engine with viscous cooling fan is an in-line four built under license from Mitsubishi. Front brakes are disk, rear are drum.

With rack and pinion steering and turning radius under 18 feet, the Stellar is maneuverable. The car's -speed gearbox, with floor-mounted shifter, is smooth.

Fit and finish appear up to world standards. Metallic paint is optional on both versions.

Overall length of the Stellar is 179 inches, width is 68 inches and height is 54 inches. The Stellar's wheelbase is 102 inches, with a front track of 57 inches and a rear track of 56 inches. Curb weight is 2,337 pounds with manual transmission and 2,392 with automatic.

Senator says Iacocca could win Presidency

Continued from Page 2

ate have told him they would support Iacocca for the 1988 Democratic Presidential nomination if he chooses to run, according to the Detroit Free Press.

When asked to identify the senators, Riegle said, "I'm not going to name names, but some of them are pretty heavyweight. At least five or six senators from different parts of the country have said, 'That is very attractive,' and they would support him."

According to the Free Press, one of the senators is Carl Levin, Michigan Democrat, who suggested Iacocca for President at a NAACP dinner in Detroit in February. More than 7,000 people attending cheered Levin's remarks.

TOP-SALARIED EXECUTIVES IN U.S. AUTO INDUSTRY

Rank	Executive, Position & Company	1984 Combined Salary & Bonus	1983 Combined Salary & Bonus
1	Philip Caldwell, chairman[1], Ford Motor Co.	$1,580,625	$1,420,534
2	Harry J. Gray,chairman, United Technologies	1,250,000	1,191,250
3	Donald E. Petersen, president[1], Ford Motor Co.	1,237,770	1,113,256
4	Lee A. Iacocca, chairman, Chrysler Corp.	1,194,838	475,308
5	Paul F. Oreffice, president, Dow Chemical Co.	1,185,172	641,845
6	Robert Anderson, chairman, Rockwell International (FY ended 9-30)	1,154,500	1,047,083
7	Roger B. Smith, chairman, General Motors Corp.	1,117,000	1,058,000
8	Edward L. Hennessy Jr., chairman, Allied Corp.	1,100,000	941,667
9	Edward G. Jefferson, chairman, du Pont (FY ended 9-30)	1,091,988	959,982
10	Harold A. Poling, executive VP,[1] Ford Motor Co.	1,090,249	924,890
11	Will M. Caldwell, executive VP, Ford Motor Co.	1,050,397	871,012
12	Harold D. Hoopman, vice chairman-oil, gas & related resources[2], U.S. Steel Corp.	1,047,805	864,807
13	David I. Margolis, president, Colt Industries Inc.	994,320	786,710
14	David M. Roderick, chairman, U.S. Steel Corp.	970,833	606,104
15	E. Mandell de Windt, chairman, Eaton Corp.	968,368	850,282
16	F. James McDonald, president, General Motors Corp.	968,000	940,000
17	Thomas C. Page, executive VP, Ford Motor Co.	935,395	721,150
18	Robert E. Mercer, chairman, Goodyear Tire & Rubber Co.	933,738	759,000
19	Forrest N. Shumway, chairman, Signal Cos. Inc.[3]	926,663	775,000
20	Michael D. Dingman, president, Signal Cos. Inc.[3]	926,663	775,000
21	Howard H. Kehrl, vice chairman, General Motors Corp.	888,000	868,000
22	Alexander F. Giacco, president & chairman, Hercules Inc.	885,996	764,330
23	Gerald Greenwald, vice chairman, Chrysler Corp.	877,480	351,254
24	Ruben F. Mettler, chairman, TRW Inc.	840,000	740,000
25	Harold K. Sperlich, president, Chrysler Corp.	828,496	327,169
26	Donald R. Beall, president, Rockwell International (FY ended 9-30)	827,500	727,500
27	George A. Strichman, chairman, Colt Industries	826,600	865,120
28	Ralph E. Baily, vice chairman, du Pont (FY ended 9-30)	808,188	752,556
29	Richard E. Heckert, vice chairman, du Pont (FY ended 9-30)	808,188	713,889
30	Lewis W. Lehr, chairman, 3M Co.	806,999	NA
31	John C. Crean, chairman, Fleetwood Enterprises (FY ended 4-30)	775,949	1,034,163
32	Robert M. Keil, executive VP, Dow Chemical Co.	775,658	410,736
33	Robert D. Rowan, chairman, Fruehauf Corp.	743,750	581,250
34	Raymond A. Hay, chairman, LTV Corp.	743,315	805,885
35	Charles W. Parry, chairman, ALCOA	739,734	561,049
36	James F. Bere, chairman, Borg-Warner Corp.	730,000	677,000
37	Robert T. Campion, chairman & president, Lear-Siegler Inc. (FY ended 6-30)	729,167	572,296
38	F. Alan Smith, executive VP, General Motors Corp.	709,000	685,000
39	Richard J. Mahoney, president, Monsanto Co.	708,361	NA
40	Hubert Faure, senior executive VP-building systems, United Technologies	700,000	615,000
41	James A. Walsh, chairman, Armstrong Rubber Co. (FY ended 9-30)	688,761	571,835
42	Stephan Sharf, executive VP, Chrysler Corp.	687,327	275,633
43	Charles M. Pigott, president, PACCAR Inc.	682,610	559,439
44	Hunter W. Henry, executive VP, Dow Chemical Co.	682,160	340,597
45	Glenn F. Kummer, president, Fleetwood Enterprises (FY ended 9-30)	678,005	840,945
46	Gerald B. Mitchell, chairman, president & vice chairman, Hayes-Dana Inc., Dana Corp.	677,725	617,254
47	Alexander A. Cunningham, executive VP, General Motors Corp.	671,000	NA
48	Daniel W. Derbes, executive VP & president-advanced technology, Signal Cos. Inc.[3]	670,000	532,500
49	Paul W. Montrone, executive VP & president-engineered products, Signal Cos. Inc.[3]	670,000	525,000
50	Tom H. Barrett, president, Goodyear Tire & Rubber Co.	661,997	540,204
51	Chester Devenow, chairman, Sheller-Globe Corp. (FY ended 9-30)	661,666	491,544
52	Robert F. Daniell, president, United Technologies,[4]	656,250	NA
53	Walter B. Kissinger, chairman & president, Allen Group	647,400	NA
54	Harry A. Holzwasser, president, Arrow Automotive Industries (FY ended 6-30)	646,439	389,081
55	Lee L. Morgan, chairman, Caterpillar Tractor	645,750	594,000
56	Stanley C. Pace, president, TRW Inc.	640,000	540,000
57	Harry W. Wetzel, chairman & CEO—The Garrett Corp., Signal Cos. Inc.[3]	638,106	520,000
58	Thomas F. Russell, chairman, Federal-Mogul Corp.	635,029	583,330
59	Stillman B. Brown, executive VP-finance & administration, United Technologies	625,000	515,625
60	James R. Stover, president, Eaton Corp.	619,058	511,314
61	Elden L. Smith, VP-RV group, Fleetwood Enterprises (FY ended 4-30)	616,955	752,326
62	Thomas C. Graham, vice chairman-steel & related resources, U.S. Steel Corp.	607,292	NA
63	William O. Bourke, president, Reynolds Metals Co.	600,000	318,146
64	R. Bern Crowl, executive VP, Reynolds Metals Co.	589,333	NA
65	Frank R. O'Keefe, Jr., president, Armstrong Rubber Co. (FY ended 9-30)	581,126	489,520
66	W. Bruce Thomas, vice chairman-administration, U.S. Steel Corp.	580,417	373,958
67	James A. Thwaits, president-international operations and corporate staff services, 3M Co.	574,919	NA
68	David P. Reynolds, chairman, Reynolds Metals Co.	572,899	390,485
69	Ben H. Cook, executive VP, Colt Industries Inc.	570,080	448,940
70	Salvatore J. Cozzolino, executive VP, Colt Industries Inc.	570,080	448,940
71	Andrew C. Hilton, executive VP, Colt Industries Inc.	570,080	NA
72	E. Paul Casey, president, Ex-Cell-O Corp.	564,417	NA
73	George M. Skurla, chairman & president—Grumman Aerospace Corp., Grumman Corp.	564,000	582,323
74	William W. Boeschenstein, chairman & president, Owens-Corning Fiberglas Corp.	561,000	600,000
75	William C. Purple, executive VP-aerospace, Allied Corp.	550,500	441,867
76	Bennett E. Bidwell, executive VP, Chrysler Corp.	549,131	415,069
77	Martin D. Walker, executive VP, Rockwell International (FY ended 9-30)	547,750	494,167
78	Gale L. Galloway, chairman & CEO—Celeron Corp., Goodyear Tire & Rubber Co.	545,127	325,000
79	Robert L. Kirk, president & CEO—LTV Aerospace & Defense Co., LTV Corp.	544,898	368,599
80	Wilfred P. Schmoe, executive VP, du Pont (FY ended 9-30)	544,816	486,831
81	Boyd R. Plowman, senior VP-finance, Fleetwood Enterprises (FY ended 4-30)	542,465	690,259
82	David K. Barnes, executive VP, du Pont (FY ended 9-30)	539,728	482,965
83	Robert C. Forney, executive VP, du Pont (FY ended 9-30)	539,728	482,965
84	Constantine S. Nicandros, president-petroleum operations, du Pont (FY ended 9-30)	539,728	458,473
85	William G. Simeral, executive VP, du Pont (FY ended 9-30)	539,728	482,965
86	Edgar S. Woolard, Jr., executive VP, du Pont (FY ended 9-30)	539,728	482,965
87	J. Mason Reynolds, executive vice president-automotive, Allied Corp.	536,500	436,359
88	Gerard L. Seelig, executive VP-industrial & technology, Allied Corp.	536,359	NA
89	William D. Geitz, executive VP & chairman—Union Texas Petroleum,[5] Allied Corp.	530,280	408,333
90	Richard J. Jacob, chairman, Dayco Corp.	526,698	300,312
91	K. Robert Hahn, vice chairman, Lear-Siegler Inc. (FY ended 6-30)	526,667	396,194
92	John C. Bierwirth, chairman, Grumman Corp.	524,700	603,621
93	Ib Thomsen, vice chairman[6], Goodyear Tire & Rubber Co.	523,896	NA
94	C. Fred Fetterolf, president, ALCOA	520,080	389,849
95	Louis Fernandez, chairman, Monsanto Co.	519,602	NA
96	Richard J. Coar, executive VP-power group, United Technologies	518,750	467,500
97	Alan Belzer, executive VP-chemicals, Allied Corp.	516,758	473,333
98	John E. Blomquist, vice chairman, Reynolds Metals Co.	500,000	350,000
99	Thomas Marshall, executive VP-manufacturing, fabricating, chemicals & associated subsidiaries, U.S. Steel Corp.	495,000	NA
100	James A. Graham, president, Sheller-Globe Corp. (FY ended 9- 30)	491,666	335,567
101	Joseph G. Gavin, Jr., president, Grumman Corp.	490,000	615,533
102	William S. Leonhardt, vice chairman, Reynolds Metals Co.	476,611	320,485
103	Donald D. Lennox, chairman, International Harvester Co.	475,000	508,333
104	Robert E. Gilmore, president, Caterpillar Tractor	467,250	NA
105	James A.D. Geier, chairman, Cincinnati Milacron	464,030	NA
106	M. Gerald O'Neil, chairman, GenCorp Inc.[7]	462,007	658,138
107	John R. Eastman, vice chairman, Sheller-Globe Corp. (FY ended 9-30)	461,666	324,967
108	Joseph P. Flannery, chairman & president, Uniroyal	470,000	430,000
109	Jon A. Nord, VP-housing, Fleetwood Enterprises (FY ended 4-30)	459,383	521,194
110	Jacques R. Sardas, executive VP, Goodyear Tire & Rubber Co.	458,159	NA
111	Harvey H. Lamm, president, Subaru of America Inc. (FY ended 10-31)	513,132	456,445

Continued on Page 49

170 auto industry leaders average $579,928

Executive pay up 15 pct. for '84

Continued from Page 1

dramatic as increases in 1983. Only the Chrysler executives and one Dow Chemical Co. executive received increases of more than 100 percent, while most increases were significantly less. In 1983, Ford executives received the largest increases, amounting to more than 200 percent from the previous year.

In 1984, compensation for the executives of the auto companies continued to keep pace with the compensation for executives of the supplier firms. Eleven executives of the Big Three auto companies were among the industry's 35 highest-paid executives. Chrysler executives broke into the top 35 for the first time with three executives making the list.

In 1983, 10 auto company executives were among the top 35, while the year before only GM's top two executives were included.

Following Caldwell on the list of highest-paid executives in 1984 were: Harry J. Gray, chairman, United Technologies; Donald E. Petersen, president, Ford; Lee A. Iacocca, Chrysler; Paul F. Oreffice, president, Dow Chemical Co.; Robert Anderson, chairman, Rockwell International; Roger B. Smith, chairman, GM; Edward L. Hennessy Jr., chairman, Allied Corp., and Harold A. Poling, executive vice president, Ford.

Though most executives enjoyed higher compensation in 1984, three times as many saw decreases as in 1983. Nineteen executives showed drops in compensation in 1984, compared with only a half dozen the year before.

Among the companies whose leaders suffered declines in compensation were Fleetwood Enterprises, GenCorp (formerly General Tire & Rubber Co.), LTV Corp., Grumman Corp. and Owens-Corning Fiberglas Corp.

REPORTED INCOME OF BIG 4 EXECUTIVES

Executive, Position & Company	1984 Income	1983 Income
Lee A. Iacocca, chairman, Chrysler	$5.51 million	$648,858
Gerald Greenwald, vice chairman, Chrysler	$3.30 million	$1.10 million
Philip Caldwell, chairman, Ford	$4.08 million	$7.31 million
Donald Petersen, president, Ford	$2.44 million	$3.76 million
Roger B. Smith, chairman, GM	$1.86 million	$1.51 million
F. James McDonald, president, GM	$1.60 million	$1.35 million
W. Paul Tippett, chairman, AMC	$383,335	$607,116
Jose J. Dedeurwaerder, president, AMC	$284,920	$291,920

Figures include automotive-related income during 1984 as reported in proxy statements. Salaries, directors fees, benefits, income from stock options and stock bonuses with specific dollar amounts attached are included. GM figures include savings plan renumeration and Performance Achievement Plan bonuses. Ford figures include company contributions to stock savings plan. Bonuses for Chrysler executives are for 1983. Not included are Chrysler stock options which were to be exercised by given dates.

It should further be noted Caldwell retired in February, replaced by Petersen as president. Harold Poling replaced Petersen as president. Tippett recently stepped down as an employe chairman; Dedeurwaerder has been CEO since September, 1984.

TOP-SALARIED EXECUTIVES IN U.S. AUTO INDUSTRY

Continued from Page 48

Rank	Executive, Position & Company	1984 Combined Salary & Bonus	1983 Combined Salary & Bonus
112	Frank P. Coyer, vice chairman, Fruehauf Corp.	455,000	348,750
113	Robert A. Stranahan, Jr., president & chairman, Champion Spark Plug Co.	451,000	381,440
114	Joseph T. Gorman, executive VP, TRW Inc.	450,000	320,000
115	A. William Reynolds, president,[8] GenCorp Inc.[7]	450,000	NA
116	George E. Solomon, executive VP, TRW Inc.	440,000	390,000
117	Frank P. Popoff, VP & president-Dow Chemical Europe S.A., Dow Chemical Co.	435,455	342,759
118	Samuel Salem, VP & president—DiversiTech General Inc., GenCorp Inc.[7]	423,443	530,747
119	Thomas F. O'Neil, chairman-RKO General Inc., GenCorp Inc.[7]	417,040	555,513
120	Thomas J. Reghanti, president, Fruehauf Corp.	411,250	310,000
121	Stephen R. Hardis, executive VP-finance & administration, Eaton Corp.	431,394	357,774
122	James K. Baker, president, Arvin Industries Inc.	429,187	NA
123	Robert A. dePalma, senior VP, Rockwell International (FY ended 9-30)	426,500	387,000
124	Allen F. Jacobson, president—U.S. operations, 3M Co.	414,933	NA
125	Clarence E. Johnson, president, Borg-Warner Corp.	410,000	315,000
126	William C. Adams, president, Federal-Mogul Corp.	407,698	377,500
127	Francis J. Fitzgerald, executive VP, Monsanto Co.	403,895	NA
128	John J. Roscia, senior VP & assistant to the chairman, Rockwell International (FY ended 9-30)	398,000	363,667
129	Joseph G. Temple Jr., executive VP & president—Merrell Dow Pharmaceutical Inc., Dow Chemical Co.	395,232	318,883
130	Wallace Barnes, chairman, Barnes Group	390,004	332,123
131	Earle H. Harbison, Jr., executive VP, Monsanto Co.	388,379	NA
132	Clifford R. Meyer, president, Cincinnati Milacron	387,415	NA
133	Nicholas L. Reding, executive VP, Monsanto Co.	386,704	NA
134	James S. Pasman, Jr., vice chairman, ALCOA	384,787	307,877
135	Paul Tippett, chairman,[9] American Motors Corp.	383,335	360,000
136	Jeremiah E. McQuillan, president, Barnes Group	378,000	323,279
137	James J. Paulos, executive VP, LTV Corp.	375,294	382,311
138	Ernest F. Dourlet, president, Dayco Corp.	374,808	NA
139	Robert M. Kuhn, senior VP-finance & administration, Armstrong Rubber Co. (FY ended 9-30)	370,788	328,004
140	James S. Wilkerson, executive VP—automotive & president-Kelsey-Hayes Co., Fruehauf Corp.	367,500	280,000
141	Robert D. Tuttle, president, Sealed Power Corp.	365,000	310,000
142	Robert M. Adams, senior VP, 3M Co.	362,774	NA
143	James W. Pilz, executive VP, Timken Co.	360,440	NA
144	Edward I. Schalon, chairman, Sealed Power Corp.	360,000	320,000
145	John F. Carr, vice chairman, Grumman Corp.	355,600	439,796
146	M. J. Monteiro, executive VP, 3M Co.	355,533	NA
147	Wendell W. Anderson, Jr., chairman, Bundy Corp.	353,988	NA
148	Fowler Blauvelt, executive VP, Owens-Corning Fiberglas Corp.	350,000	357,000
149	Sherman O. Lyon, senior VP & president—Copolymer Rubber & Chemical Corp., Armstrong Rubber Co. (FY ended 9-30)	349,512	NA
150	W. R. Timken, Jr., chairman, Timken Co.	349,320	NA
151	Joseph F. Toot, Jr., president, Timken Co.	349,320	NA
152	William E. Eckhardt, president, Bundy Corp.	342,313	NA
153	William N. Gross, executive VP, PACCAR Inc.	342,187	345,438
154	James J. Gavin Jr., vice chairman,[10] Borg-Warner Corp.	341,000	325,000
155	Charles R. Allen, executive VP, TRW Inc.	340,000	NA
156	Robert W. Gillison, president-truck components, Eaton Corp.	338,398	272,156
157	William E. Butler, president-automotive components, Eaton Corp.	338,074	276,675
158	David H. Hoag, president of predecessors of LTV Steel Co. Inc. (Jones & Laughlin Steel), LTV Corp.	337,129	347,136
159	Arnold P. McIlwain, executive VP-maritime operations, Fruehauf Corp.	332,500	255,000
160	Joseph M. Dunn, senior VP, PACCAR Inc.	330,587	316,357
161	Leonard A. Harvey, executive VP, Borg-Warner Corp.	330,000	NA
162	Carl E. Pfeiffer, president, Quanex Corp.	329,909	244,666
163	Salvatore Giordano, chairman, Fedders Corp.	320,020	NA
164	G. W. Leisz, president—Aerojet-General Corp., GenCorp Inc.[7]	314,491	NA
165	Edward J. Schiegel, executive VP, Caterpillar Tractor	309,000	NA
166	Robert E. LaRoche, executive VP, Borg-Warner Corp.	305,000	330,000
167	George D. Doresco, executive VP & chairman—Dana-Hayes Inc., Dana Corp.	304,795	NA
168	William A. Hodder, president, Donaldson Co.	302,095	NA
169	Norman A. Barkeley, executive VP, Lear-Siegler Inc. (FY ended 6-30)	301,667	NA
170	Robert J. Brotje Jr., executive VP, Champion Spark Plug Co.	300,000	NA

NOTE: List is compiled from proxy statements of publicly traded companies, which contain compensation for five top-paid executives. Figure includes salary and bonus, not stock bonuses, stockoptions, profits from stock options exercised, nor long-term and contingent remuneration. Salaries and bonuses awared are for calendar 1984 unless otherwise noted.

1—Ford Chairman Philip Caldwell retired Feb. 1, 1985. Donald E. Petersen, formerly president, became chairman. Harold A. Poling, previously executive vice president of North American Automotive Operations, became president.

2—Was vice chairman and president of Marathon Oil, purchased by U.S. Steel Corp. in 1983.

3—Signal Cos. Inc. is in the process of merging with Allied Corp.

4—Promoted to president in 1984, replacing Robert Carlson who left the company

5—Union Texas Petroleum became an independent company in a leveraged buyout in April with Geltz as its CEO.

6—Promoted to vice chairman from executive VP.

7—GenCorp. formerly was General Tire & Rubber Co.

8—Named president in 1984

9—Tippett was chairman and CEO until September, 1984 when President Jose Dedeurwaerder became CEO. Tippett since has become a non-employe chairman and has become president of Springs Industries.

10—Was senior VP during 1984.

Ford-Australia turbocharges its Laser

Top performer in Ford of Australia's Laser range is the limited-edition Laser Turbo which features all-white exterior paintwork, sport seats and trim and identifying graphics.

Success of belt-law drive dims prospects for air bags

Continued from Page 3

phased into all cars sold in the U.S. beginning with the 1987 models. The requirement will be rescinded if states with two-thirds of the U.S. population enact seat-belt-use laws by April 1, 1989.

"Based on the first year's record following the passage of the first seat-belt-use law by the State of New York, we estimate that at least half of the 50 states will have such laws in place by the end of 1986," Martin said.

Should all the states that are considering seat-belt-use laws pass such legislation, it is very likely that the Department of Transportation's passive-restraint requirement would be voided.

States that have passed seat-belt-use legislation and the effective dates of those laws are:

New York, Dec. 1, 1984; New Jersey, March 1, 1985; Illinois, July 1, 1985; Michigan July 1, 1985; Texas, Sept. 1, 1985; Nebraska, Sept. 6, 1985; Missouri, Sept. 28, 1985; North Carolina, Oct. 1, 1985; Hawaii, Nov. 1, 1985; New Mexico, Jan. 1, 1986; Connecticut, Jan. 1, 1986; Lousiana, July 1, 1986; Oklahoma, Feb. 1, 1987, and Indiana, July 1, 1987.

Shop volume shows 2nd-best gain of 1985

Continued from Page 1

percent over last year in May sales of shop parts, those used on customer-paid and warranty repairs, while sales of all parts and accessories were up 6.1 percent. The number of repair orders written during the month showed a gain of 6 percent.

For the first five months of the year, total service and parts volume increased 10.4 percent over the like period a year ago. At the same point in 1984, however, shop business was 19 percent higher than the previous year.

Through May, the strongest indicator was total labor sales, customer-paid and warranty, which were up 13.5 percent over the like year-ago period.

In the runnerup spot, with an increase of 10.7 percent, was sales of shop parts, those used on customer-paid and warranty repairs. Gross profit on all labor and P&A business was a close third, with an increase of 10.2 percent over last year.

The number of repair orders written through May was 9.5 percent higher than a year ago. Sales of parts to outside customers showed a gain of 8.3 percent over last year, while sales of all parts and accessories were up 6.9 percent.

Service Index figures are compiled from reports on shop business from a cross-section of the nation's franchised new-car dealers.

Dedeurwaerder meets with dealers, top management

AMC chief maps a survival plan

Continued from Page 3

holders and the press we never had any intention to sell Jeep," said Dedeurwaerder. "And if the chief executive officer of Renault sends me a letter—which I made public—saying he backs up his involvement, what else can we do?"

To effect efficient auto production in Wisconsin, Dedeurwaerder said, the company does not require a new, modern facility in Kenosha to go with its scaled-down labor costs. Some portions of the Kenosha plant were built at the turn of the century.

With the company's labor problems in Wisconsin apparently settled, the AMC president said the company must now determine whether "the state is giving us a competitive situation compared with the rest of the states."

"That's what we did with the union," he said. "I don't see why we can't do that officially with the state."

Discussions are expected to revolve around improvement of the state's rules regarding unemployment and workers' compensation, which Dedeurwaerder said place "a big burden on a company our size."

"Thirty-five states in the U.S. are making offers to GM for Saturn," he said. "I say, before you take Saturn, guys, you'd better watch that the one that you have is not going to go away."

• Dedeurwaerder said AMC lost more money in the second quarter than in the first. Overall, he characterized 1985-86 as a "break-even type of situation."

"We will not have anything substantially more to sell except our Jeep (Comanche) truck this year," he said.

Dedeurwaerder said 1987 will be the company's big breakout year.

The centerpiece of product plans is the front-wheel-drive intermediate due to be built at the plant currently under construction in Brampton, Ont. Plans call for production of about 150,000 mid-sized cars annually.

While AMC currently imports from Renault in small numbers—just over 12,000 units in 1984—the new compact line scheduled to arrive in early 1987 is counted on as a mainstream product.

The Alpine, a relatively low-volume specialty car expected to be priced in the $30,000 range, was once slated for U.S. introduction late next summer. But the stateside launch has since been rescheduled. The car is not due to be unveiled here until spring, 1987.

"We pushed it back a good three months," said Dedeurwaerder. "We believe that having the car available and doing a marketing operation in the Christmas period is not very smart."

Dedeurwaerder said it is too early to discuss reports from France that Renault will loan its U.S. partner an estimated $175 million through 1987. He said the transaction requires approval from the Renault board of directors and the French Ministry of Finance.

"There is nothing to say on the AMC side," he said. "As soon as Mr. Besse has worked it out on his side, then we will work it out with the board of directors of American Motors."

Asked if he expects to be named AMC chairman at the company's board meeting in New York later this week, Dedeurwaerder declined comment.

"I'm happy," he said. "I'm just trying to do my job and I have all the tools in hand to do it with a good crew of guys."

AMC Chairman Paul Tippett has left the company to become president of Springs Industries, a South Carolina-based textile manufacturer. Tippett, whose final day at AMC was last Friday (July 11) has said he expects to stay on as an AMC board member. There is some speculation that he may remain as a non-employe chairman of the company.

NEW-CAR STOCKS

	July 1, 1985	June 1, 1985	July 1, 1984
Alliance	114	111	78
Encore	102	108	72
Eagle	231	204	102
AMERICAN MOTORS	118	117	78
Caravelle	78	75	0
Horizon	73	52	66
Reliant	98	82	48
Turismo/TC-3	62	48	67
Plymouth	54	49	35
Plymouth Total	80	66	54
LeBaron	94	72	67
LeBaron GTS	56	50	0
Laser	85	81	75
Fifth Avenue	51	82	99
N. Yorker E/EClass	121	97	100
Chrysler Total	72	74	84
Omni	82	50	65
Daytona	76	71	77
Charger/024	75	54	77
Aries	100	91	55
600	91	72	77
Lancer	69	70	0
Diplomat	62	53	48
Dodge Total	82	68	66
CHRYSLER CORP.	78	69	68
EXP	65	53	48
Escort	48	32	65
Tempo	54	48	74
Mustang	36	41	63
Thunderbird	74	73	80
LTD	45	70	50
Crown Victoria	75	87	55
Ford Division	54	51	64
Lynx	62	45	73
Topaz	42	55	78
Cougar	62	60	60
Marquis	68	88	38
Grand Marquis	75	93	59
Capri	85	68	75
Total Mercury	65	69	60
Continental	76	92	41
Lincoln	61	54	41
Mark VII	49	92	62
Lincoln Total	61	63	45
FORD MOTOR	57	65	61
Skyhawk	50	51	59
Skylark	41	37	42
Century	37	39	42
Regal	57	59	59
Somerset Regal	57	26	0
LeSabre	39	46	47
Electra	69	67	24
Riviera	65	78	49
Buick Division	48	46	47
Cimarron	85	73	111
Eldorado	78	39	57
Cadillac	78	79	40
Seville	87	45	52
Cadillac Division	79	61	40
Chevette	81	79	58
Nova	72	0	0
Cavalier	55	23	42
Citation	104	65	47
Camaro	68	61	65
Celebrity	42	36	34
Monte Carlo	60	58	52
Chevrolet	66	59	52
Corvette	69	52	67
Chevrolet Division	59	46	48
Firenza	64	79	49
Cutlass Ciera	31	31	26
Cutlass Supreme	39	36	25
Calais	53	23	0
Olds 88	46	50	32
Olds 98	61	72	26
Toronado	80	93	64
Oldsmobile Division	44	40	31
Fiero	74	41	20
1000	53	35	67
2000 Sunbird	58	21	55
Firebird	51	34	44
6000	48	30	33
Bonneville	84	54	84
Grand Am	25	14	0
Grand Prix	97	63	58
Pontiac	85	56	82
Pontiac Division	59	34	52
GENERAL MOTORS	54	43	44
VOLKSWAGEN	73	50	104
HONDA	9	9	15
NISSAN	21	23	0
Total Cars U.S.	58	50	52
SUBCOMPACT	60	46	60
COMPACT	63	46	58
INTERMEDIATE	52	45	46
STANDARD	61	63	49
LUXURY	67	67	44

U.S.-car supply rises to 58 days; is 4-month high

Continued from Page 1

64; 2000 Sunbird, 58; Cavalier, 55; Tempo, 54; Firebird, 51; Skyhawk, 50; Topaz, 42, and Mustang, 36.

Intermediate—New Yorker E/E-Class, 121; Citation, 104; Grand Prix, 97; Bonneville, 84; Caravelle, 78; Thunderbird, 74; Lancer, 69; Marquis, 68; Cougar, 62; Monte Carlo, 60; Somerset Regal, 57; LeBaron GTS, 56; Calais, 53; Pontiac 6000, 46; LTD, 45; Celebrity, 42; Skylark, 41; Cutlass Supreme, 39; Century, 37; Ciera, 31, and Grand Am, 25.

Standard—Parisienne, 85; Crown Victoria, 75; Grand Marquis, 75; Chevrolet, 66; Diplomat, 62; Gran Fury, 54; Olds 88, 46, and LeSabre, 39.

Luxury—Seville, 87; Toronado, 80; Cadillac, 78; Eldorado, 78; Continental, 76; Electra, 69; Corvette, 69; Riviera, 65; Olds 98, 61; Lincoln, 61; Fifth Avenue, 51, and Mark VII, 49.

Worker takeover of Ford Argentina plants continues

PACHECO, Argentina.—Workers at Ford Motor Co.'s car and truck complex here continued their 18-day-long siege of the complex, and at presstime negotiations with management had ground to a halt.

The takeover began June 26, when hourly workers kept the plants' 1,800 salaried workers against their will. Women were released at the normal quitting time, but the men were held until past midnight, when a judge came to the building, a Ford spokesman said.

On June 30, Ministry of Labor officials declared the takeover illegal. Afterwards, the hourly workers told all salaried workers to leave, and they have maintained total control of the complex ever since, he said.

The takeover, headed by the worker-elected Internal Claims Committee, which is not a union, was said to be in response to Ford's firing of 33 chronic absentees.

Late last week, the workers began producing cars on their own and invited the press to witness the operation. Six or seven cars were built the first day, July 11, the Ford spokesman said. Parts inventories would allow them to continue for no more than four days if they are able to operate all machinery, he said.

The same day, Ford management was cabled by the committee that it should return to the plant and reassume control. But when its first order—to vacate the plant—was rejected by workers, management left.

Almost all of the 4,000 hourly workers are involved in the siege, with about 1,500 at the plants at any one time, Ford said.

An Argentine judge is studying whether to indict workers on criminal charges, and Ford hopes such an indictment would lead to an end of the siege.

Ford dealers taken out to the ball game

Three Kansas City District Ford dealers enjoy a ride around Royals Stadium in a 1985 Mustang on Lifetime Service Guarantee Day. In the back seat are, from left: Bob Hewlett, Metro Ford, Independence, Mo.; Bob Balderston, Blue Springs Ford, Inc., Blue Springs, Mo., and Frank Schlozman, Schlozman Ford, Overland Park, Kans. Standing to the left of the car is Bob Pourifoy, zone service manager, and behind the wheel is John Whelan, service operations manager.

GM increasing programs to reduce advertising costs

Continued from Page 3

media people, and even some GM insiders, also rankled at developments attributed to McKinsey and the media council.

As part of its ongoing effort to cut costs, GM established a Media Advisory Council and has changed the way it will buy time and space.

GM first tackled television, assigning point ad agencies to negotitate with networks on behalf of all other GM agencies and corporate or divisional clients (Automotive News, May 13).

Next, GM tackled magazines, assigning point agencies to negotitate with publishing companies for maximum discounts on behalf of all GM units that buy consumer magazine space (Automotive News, May 27).

While the television network buying realignment caused a ripple, the proposed changes in the magazine segment has caused strong reaction.

"There are two approaches you can take," said one Detroit sales rep. "You can look at this as an attempt by the big guy to crush the little guy, or you can look at it as an opportunity."

GM's approach has been direct; it wants to convert everything to the maximum cash savings.

As part of the new procedures, the Magazine Negotiating Team, a Media Council subcommittee comprised of agency media people, drafted a 14-point list of purposes and goals which went out with a form letter to consumer magazines in which GM buys space.

Each publication was called in for a "five-year" review by its point agency.

The proposals included items ranging from the elimination of "bleed" charges to a demand for corporate-wide discounts rather than divisional discounts, discounts based on dollar volume rather than page counts and smaller increments in rate structure discounts.

GM also wants insertion contracts to run on a model-year basis, rather than a calendar-year basis, multi-title discounts from publishing companies with more than one magazine, multi-year contracts and conversion of merchandising allowances into lower rates.

In addition, GM said it is "interested in reviewing any unique rate structures" that might be proposed. Some Detroit magazine reps told Automotive News they viewed that as an open solicitation to break ad rate cards.

Finally, GM said it was encouraging "multi-media" discount proposals. That means it could be particulalry tough with CBS and ABC, both of which have publications in addition to television and radio networks.

Although no one has said GM has threatened to pull its advertising if a publication refuses to acquiesce to the new guidelines, Detroit media people believe that is an implied threat.

"If they don't put some teeth into it, how will they enforce it?" one rep said.

Nonetheless, a number of publications last week told Automotive News they already had indicated to GM they would not go along with the program.

However, the final determination of how many consumer books eventually do change the way they do business with the giant auto advertiser could well hinge on what Time, Inc., ultimately decides to do.

Time, as a corporation, is dealing with Campbell-Ewald as point agency. Time has three publications—Sports Illustrated, Time and People—which are important automotive ad vehicles as well as a number of other smaller publications.

Because of ad revenue involved, Time, Inc., has more to lose if it refuses to acquiesce and GM cuts its insertion orders.

"Ultimately, it depends on what Time does," said a competitor. "Right now, it looks like Time is digging in its heels."

John downplayed the importance of the Time, Inc., negotiations, pointing to other large publications, "like Reader's Digest and TV Guide," which make the situation "broader than that."

Time has put the utmost importance on the situation. People publisher S. Christopher Meigher III confirmed there were "ongoing discussions" with GM and Campbell-Ewald, but said the matter was being handled at the magazine group level.

Ford, Nissan, Volkswagen due to reopen today

Auto production climbs to 134,844

By Louise Kertesz
Detroit Reporter

Rebounding from the holiday period—but at a pace still reduced by plant closings—U.S. auto production was pegged at 134,844 units last week, 58.01 percent more than the previous week's 85,337.

Last week's targeted build was 16.25 percent more than the year-ago-week's 115,996.

So far this year, 4,631,381 cars have been assembled, 3.37 percent more than the 4,480,410 completed last year at this point.

Companies shared last week's estimated production as follows: General Motors, 73.88 percent; Chrysler Corp., 21.02 percent; American Motors, 2.04 percent; Honda of America Mfg. Co., 1.85 percent, and New United Motor Mfg. Co., 1.21 percent.

Plants of Ford Motor Co. and Nissan Motor Mfg. Co., U.S.A., were closed last week for their second week of vacation, and Volkswagen of America's plant was idled for a second week by a parts shortage.

The plants are scheduled to resume production today (July 15).

A fire in a second-floor storage area at GM's Fiero plant in Pontiac last Wednesday night (July 10) resulted in the loss of 1,000 plastic car hoods, according to a GM spokesman.

There was no damage to the facility, and production was not affected, the spokesman said.

GM's Norwood (O.) plant, which produces the Chevrolet Camaro and Pontiac Firebird is down this week for model changeover, idling 3,300 workers.

It is scheduled to resume production Aug. 12.

Two overtime shifts were scheduled Saturday (July 13) at GM plants in Lakewood, Ga.; Wilmington, Del.; Detroit, and Lordstown, O.

Ford plants scheduled to work daily overtime this week include: Chicago; Lorain, O.; Dearborn; Wixom, Mich.; Edison, N.J.; Wayne, Mich., and Kansas City.

Chrysler's plant in St. Louis (No. 2) is scheduled to operate two nine-hour daily shifts this week.

Toyota faces tough choices in strategies for U.S. plant

Continued from Page 1

the plant. Both the Accord built by Honda in Ohio and the 626 planned by Mazda in Michigan go to the heart of the basic compact-to-midsize car market in the U.S.

The Camry is scheduled for its next major makeover in 1987, which would give Toyota one year of production experience with the new car before moving into a U.S. plant by 1988.

Toyota is also planning a car larger than the Cressida for the U.S. market. That vehicle is being designed by Calty, Toyota's U.S. design studio, and would be larger than anything currently sold by the company in Japan. Because of size restrictions, it would be an export-only model for the U.S. and possibly Europe.

Indications are that the car will be built in Japan, but once a U.S. plant is up and running, it could conceivably be built here because of its U.S.-only status.

As for utilizing NUMMI, officials at the plant and General Motors confirm that Chevrolet is to receive all the output from the plant up to the 250,000-unit limit set forth in the FTC agreement authorizing the joint venture. Using two shifts, that figure is the maximum for one line.

However, the Fremont facility, which produced cars and trucks for GM on two lines, has sufficient space to accommodate a second line that could be used to supply Toyota Motor Sales, U.S.A., with Corollas.

It doesn't appear likely that Toyota would assemble the Sprinter at NUMMI, since part of the FTC agreement calls for GM to sell a model that is not currently offered in the U.S.

In fact, the decision to add a second line at NUMMI may be less critical and more easily made than the decision for a greenfield site. If the market sours and price competition becomes fierce in the small-car market or if restraints continue for a sixth year, Toyota can put off or start up a second line at NUMMI much more quickly than starting or stopping a new plant site.

One thing is clear, however: Toyota is intent on retaining its premier position in the U.S. In the light of extended quotas and the fact that all of its major competitors have either begun or have announced intentions of building cars in the U.S., it is just a matter of time before Toyota lets the other shoe drop.

Truck production jumps 64 percent after holiday week

Domestic truck makers planned to build 42,458 units last week, 64.23 percent more than the previous week's 25,852 (shortened by the Fourth of July holiday and plant vacations) and 14.03 percent better than the year-ago week's 37,235.

So far this year, 1,854,302 trucks have been assembled, 10.02 percent more than the 1,685,473 completed last year at this point.

Plants of Ford Motor Co., International Harvester and Nissan Motor Mfg. Co., U.S.A., were closed last week for their second week of vacation. They are scheduled to resume production today (July 15).

General Motors plants working two overtime shifts Saturday (July 13) were: Pontiac No. 5; Moraine, O.; Flint No. 2, and Baltimore.

GM's Detroit plant is closed this week for inventory adjustment, idling 500 workers. It is scheduled to reopen July 22.

Ford's Twin Cities plant will curtail production this week to allow renovations to be completed. Two shifts will each work 24 hours at the facility.

Ford plants working daily overtime this week are: Wayne, Mich.; Kansas City; Norfolk; Lorain, O., and Louisville.

Ford's Kansas City plant is scheduled to work overtime Saturday (July 20).

Canada output still affected by vacations

Vehicle production in Canada continued at a slowed pace due to vacations at several plants.

The makers scheduled assembly of 14,525 cars last week, 2.89 percent fewer than the previous week's 14,958, but 10.05 percent more than the year-ago week's 13,198.

So far this year, 576,998 cars have been assembled, 6.52 percent fewer than the 617,271 completed last year at this time.

Truck makers planned assembly of 13,090 units last week, 12.96 percent more than the previous week's 11,588.

The prior week's total was the lowest weekly production this year, due to the Canada Day holiday and plant closings for vacation.

Year-to-date, 485,578 trucks have been assembled, 5.93 percent more than the 458,408 completed last year at this point.

American Motors' Brampton (Ont.) plant has been closed for vacation since June 24. It is scheduled to resume production Aug. 5.

Ford Motor Co. and International Harvester Co. plants are scheduled to resume production today (July 15) after being closed for vacation for two weeks.

U.S. CAR PRODUCTION

	Week Ended July 13, 1985	Week Ended July 14, 1984	Week Ended July 6, 1985	July to Date	Jan. 1 to July 14, 1984	Jan. 1 to July 13, 1985
AMERICAN MOTORS	2,750	4,505	0	2,750	104,401	56,822
Renault Total	2,750	4,505	0	2,750	104,401	56,822
Alliance	1,925	2,475	0	1,925	56,147	34,853
Encore	825	2,030	0	825	48,254	21,969
CHRYSLER CORP.	28,350	23,822	23,995	52,345	734,928	775,721
Plymouth Total	7,750	7,201	6,691	14,441	214,608	223,284
Horizon	3,000	3,261	2,644	5,644	88,913	82,315
Reliant	3,600	3,064	2,774	6,374	108,646	99,623
Caravelle	900	285	824	1,724	5,350	30,501
Gran Fury	250	571	449	699	11,699	10,845
Chrysler Total	9,500	8,035	8,362	17,862	248,361	257,281
LeBaron	2,000	2,734	1,754	3,754	75,607	60,168
LeBaron GTS	2,600	0	2,085	4,685	0	57,903
Laser	1,100	1,201	1,025	2,125	44,650	32,158
New Yorker/E-Class	1,500	1,902	1,277	2,777	63,268	42,026
Fifth Avenue	2,300	2,198	2,221	4,521	64,836	65,026
Dodge Total	11,100	8,586	8,942	20,042	271,959	295,156
Omni	2,700	2,959	2,308	5,008	83,784	81,734
Aries	3,000	2,227	2,414	5,414	85,559	81,682
Daytona	1,200	1,075	986	2,186	33,376	29,171
Dodge 600	1,500	1,515	1,167	2,667	47,918	40,851
Lancer	1,600	0	1,387	2,987	0	41,027
Diplomat	1,100	810	680	1,780	21,322	20,691
FORD MOTOR	0	0	0	0	926,325	895,061
Ford Division	0	0	0	0	602,334	593,992
Escort	0	0	0	0	186,244	169,385
Mustang	0	0	0	0	71,347	94,896
LTD	0	0	0	0	115,676	117,689
Thunderbird	0	0	0	0	83,421	102,275
Crown Victoria	0	0	0	0	40,350	7,122
EXP	0	0	0	0	17,877	3,863
Tempo	0	0	0	0	87,419	98,762
L-M Division	0	0	0	0	323,991	301,069
Mercury Total	0	0	0	0	234,146	215,835
Lynx	0	0	0	0	35,991	38,550
Capri	0	0	0	0	9,390	9,392
Marquis	0	0	0	0	60,315	59,164
Cougar	0	0	0	0	55,857	73,809
Grand Marquis	0	0	0	0	50,266	4,733
Topaz	0	0	0	0	22,327	30,187
Lincoln Total	0	0	0	0	89,845	85,234
Continental	0	0	0	0	19,932	14,515
Lincoln	0	0	0	0	52,976	61,291
Mark VI/VII	0	0	0	0	16,937	9,428
GENERAL MOTORS	99,629	84,987	58,510	158,139	2,589,873	2,740,159
Buick Total	22,338	20,754	12,878	35,216	570,185	556,503
Skylark	0	2,095	0	0	55,305	40,953
Skyhawk	2,368	3,030	1,504	3,872	88,420	62,337
Somerset Regal	2,725	163	1,298	4,023	600	65,984
Century	6,095	5,268	3,544	9,639	126,113	145,061
Regal	3,456	3,525	1,770	5,226	124,071	68,969
LeSabre/Electra(rwd)	2,445	4,107	1,614	4,059	122,076	77,712
Riviera	1,180	1,075	711	1,891	28,929	36,932
Electra(fwd)	4,069	1,491	2,437	6,506	24,671	58,555
Cadillac Total	7,030	6,433	4,150	11,180	184,381	202,122
Cimarron	531	264	322	853	9,758	15,910
Seville	688	675	439	1,127	22,877	21,496
Eldorado	1,359	1,515	860	2,219	44,184	40,491
Cadillac (rwd)	509	1,743	246	755	81,002	28,019
DeVille (fwd)	3,943	2,236	2,283	6,226	26,560	96,206
Chevrolet Total	30,437	27,693	17,276	47,713	881,735	933,700
Chevette	3,652	2,858	1,804	5,456	108,090	89,871
Cavalier	10,099	8,898	5,654	15,753	231,621	273,596
Celebrity	5,420	6,340	3,212	8,632	167,423	156,435
Camaro	4,975	2,314	3,056	8,031	146,767	130,538
Citation	0	2,742	0	0	52,439	28,697
Malibu/El Camino	0	0	0	0	16,346	0
Monte Carlo	1,945	1,504	1,189	3,134	66,273	79,381
Chevrolet	3,346	1,622	1,762	5,108	64,443	150,589
Corvette	1,000	815	599	1,599	18,333	24,593
Oldsmobile Total	26,142	20,109	14,341	40,483	646,668	679,952
Omega	0	1,001	0	0	28,614	0
Firenza	832	1,196	587	1,419	41,963	37,083
Cutlass Supreme	5,040	3,514	3,074	8,114	161,077	126,200
Cutlass Ciera	6,608	5,178	3,955	10,563	157,412	202,054
88/98 (rwd)	7,313	6,176	3,618	10,931	202,753	134,370
Olds 98 (fwd)	2,878	2,118	1,690	4,568	27,990	77,105
Calais	2,771	113	991	3,762	599	80,933
Toronado	700	813	426	1,126	26,240	22,207
Pontiac Total	13,682	9,998	9,865	23,547	306,904	367,882
Acadian**	0	164	173	173	9,491	7,288
2000 Sunbird	3,008	3,552	2,168	5,176	84,295	79,411
1000	751	442	498	1,249	22,918	12,775
Firebird	2,645	2,543	2,125	4,770	64,856	69,986
Phoenix	0	427	0	0	14,119	0
6000	1,557	0	1,138	2,695	0	28,099
Grd Prix/Bon Vie	0	0	0	0	26,733	0
Parisienne	1,542	432	1,298	2,840	15,524	41,080
Fiero	2,520	2,438	1,942	4,462	65,968	65,431
Grand Am	1,659	0	523	2,182	0	63,812
HONDA	2,490	2,682	1,857	4,347	69,452	86,171
NISSAN	0	0	0	0	0	10,513
NUMMI (Nova)*	1,625	0	975	2,600	0	14,949
VOLKSWAGEN	0	0	0	0	55,431	51,985
Total Cars, U.S.	134,844	115,996	85,337	220,181	4,480,410	4,631,381
Total Cars, Canada	14,525	13,198	14,958	29,483	617,271	576,998
N. American Cars	149,369	129,194	100,295	249,664	5,097,681	5,208,379
N. American Trucks	55,548	49,541	37,440	92,988	2,143,881	2,339,880
North American Cars and Trucks	204,917	178,735	137,735	342,652	7,241,562	7,548,259

*—Revised estimate.
**—All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

CANADIAN CAR PRODUCTION

	Week Ended July 13, 1985	Week Ended July 14, 1984	Week Ended July 6, 1985	July to Date	Jan. 1 to July 14, 1984	Jan. 1 to July 13, 1985
AMERICAN MOTORS	0	0	0	0	12,250	5,493
FORD MOTOR	0	0	4,370	4,370	237,736	267,515
GENERAL MOTORS	14,300	12,973	10,408	24,708	361,253	298,209
VOLVO	225	225	180	405	6,032	5,781
Total Cars, Canada	14,525	13,198	14,958	29,483	617,271	576,998

U.S. TRUCK PRODUCTION*

	Week Ended July 13, 1985	Week Ended July 14, 1984	Week Ended July 6, 1985	July to Date	Jan. 1 to July 14, 1984	Jan. 1 to July 13, 1985
CHEVROLET	23,149	21,561	13,238	36,387	545,668	648,478
DODGE	4,100	3,740	3,333	7,433	113,397	117,651
FORD	0	1,453	0	0	627,283	626,961
GMC	8,120	7,202	4,662	12,782	177,003	201,535
INTERNATIONAL	0	0	0	0	39,139	41,705
JEEP	5,300	0	3,545	8,845	100,209	114,696
NISSAN	0	2,229	0	0	53,094	53,133
AM GENERAL	50	50	30	80	1,420	1,340
MISCELLANEOUS	1,739	1,000	1,044	2,783	28,200	48,803
Total Trucks, U.S.	42,458	37,235	25,852	68,310	1,685,473	1,854,302

CANADIAN TRUCK PRODUCTION

	Week Ended July 13, 1985	Week Ended July 14, 1984	Week Ended July 6, 1985	July to Date	Jan. 1 to July 14, 1984	Jan. 1 to July 13, 1985
CHRYSLER	7,330	6,350	6,960	14,290	201,137	229,450
FORD	0	0	0	0	84,442	89,402
GENERAL MOTORS	5,760	5,956	4,628	10,388	168,916	161,071
INTERNATIONAL	0	0	0	0	3,913	5,655
Total Trucks, Canada	13,090	12,306	11,588	24,678	458,408	485,578
N. American Trucks	55,548	49,541	37,440	92,988	2,143,881	2,339,880

*—New includes window van production. **—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

July 22, 1985

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Will publicity binge result in Saturn fiasco?

By Marjorie Sorge and Michelle Krebs
Automotive News Staff

General Motors' Saturn project may not live up to the public's expectations.

Never has a car project received so much publicity as has Saturn, causing some to wonder if all the attention is deserved.

Now, General Motors insiders are worried lest all the publicity may be too much of a good thing.

They fear that Saturn, which has been called the ultimate everything, may turn into the ultimate public relations fiasco.

News Analysis

Some fear that the public, expecting Star Wars technology on the car, will be disappointed with a vehicle that has features which will be commonplace by the time it is introduced at the end of this decade.

At first, the free publicity seemed like a public relations person's dream come true.

Governors paraded through GM corporate headquarters, offering the auto maker the world to locate the Saturn plant in their states. Schoolchildren wrote letters begging GM to put the plant in their state.

Still, after more than six months of reading and re-reading state proposals, the Saturn site remains a mystery. But it is a mystery that has fueled more automotive press than anything since Henry Ford introduced mass production.

The press has had a heyday. As the site selection choices are narrowing, every rumor is being reported. Some newspapers have set up rumor control centers on their business pages and have sent teams of reporters to tour the top-contending states.

The publisher of a Tennessee weekly issued a "stop the presses" order when convinced that an announcement that GM had selected his state for the Saturn site was imminent.

The public appears to recognize Saturn as a car, a plant and jobs, not a manufacturing process.

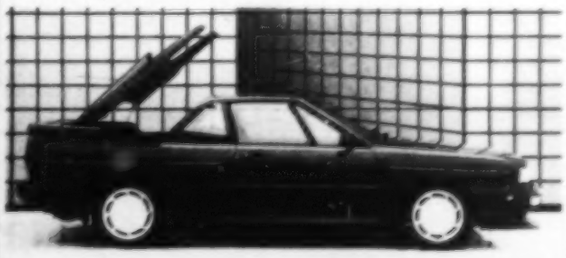
As for the car itself, the public —which doesn't care how a car is built—will measure Saturn's success by the items it can see and

Please turn to Page 52, Col. 1

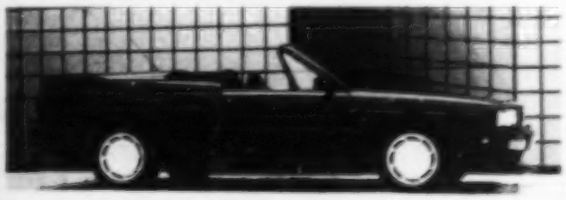
Audacious Audi

It changes before your eyes

This Audi Quattro Roadster, modified in West Germany by Treser GmbH, is being imported into the U.S. The Roadster has a fixed glass hardtop that stores beneath the rear deck lid. It will sell in the U.S. for about $60,000. Story, another picture are on Page 8.



The decklid lifts to accept top for storage.



With hardtop stowed, Audi becomes an open car.

NHTSA to reduce CAFE to 26 MPG for '86 cars

By Jake Kelderman
Washington Reporter

WASHINGTON.—Citing the possibility of "severe adverse economic consequences" for General Motors and Ford Motor Co., NHTSA has decided to reduce the Corporate Average Fuel Economy standard for the 1986 model year from 27.5 MPG to 26 MPG.

The proposal, in response to a petition filed by the Big Two and other auto makers, was immediately hailed by GM and Ford as a step in the right direction but less than what they need.

Both companies have been selling a greater than usual number of large, less-fuel-efficient cars during the past year. That has put them farther behind federal fuel-economy requirements than they had anticipated.

Recently, their past CAFE numbers were adjusted by the EPA, but both makers still faced the possibility of large fines for failing to meet the 27.5 MPG standard imposed by NHTSA for 1985 and beyond.

• GM, for example, expects to be approximately $478 million in arrears to the government for failing to meet CAFE requirements in 1984 and 1985, in spite of the EPA adjustments.

Ford is projecting that it will be even with the government through the 1985 model year but had expected to be in arrears for the 1986 model year unless the 27.5 MPG standard was reduced.

For planning flexibility and to cover the possibility of continued demand for large cars, both GM and Ford had asked NHTSA to ease the CAFE standard to 26 MPG for the next three years.

NHTSA has the authority to lower the standard to 26 MPG for good cause under authority of the 1975 Energy Policy and Conservation Act which established the standards and set penalties of $5 per tenth of a mile per gallon times an auto maker's annual production for failing to meet those standards.

In proposing the new standard, NHTSA said 26 MPG was the "maximum feasible" level the auto makers could achieve for that year, but NHTSA said it expected to entertain petitions from Ford, GM and others to keep the 26-MPG standard for 1987 and 1988.

It will hold hearings on its proposal for the 1986 model year in Washington Aug. 8-9.

According to papers on file with the agency, GM expects to reach a 25.7 MPG CAFE in 1986 and Ford a 26.2 MPG level. Some European makers would also be helped considerably by the planned rollback.

BMW, for example, is projecting a 1986 CAFE of 26.1 MPG. Volvo is looking to reach 26.5 MPG; Peugeot, 25.6 MPG; Saab, 25.4 MPG, and Jaguar just 19.2 MPG.

Mercedes-Benz has not as yet projected its MPG for the 1986 model year, but reached just 23.4 MPG in the 1985 model year after having been as high as 26.5 MPG in 1983.

Reaction from the interested parties was along the line of their previously stated positions.

At GM a spokesman reiterated the company's position that the CAFE issue was in fact a jobs issue, not an energy issue.

Noting that at a maximum, the adjustment the company had asked for would have resulted in

Please turn to Page 52, Col. 1

Bertone attacks IAI for X1/9 ills in U.S.

By John A. Russell
New York Staff Writer

NEW YORK.—After months of silence and outwardly amicable relations, Bertone representatives slammed International Automobile Importers and the way that company marketed the Italian coachbuilder's X1/9 sports cars in the United States.

Bertone claimed it lost more than $5 million on the project, had to shut down its production line in Turin for a year and suffered a "deep wound" because it relied on a IAI marketing strategy which did not work.

Now Bertone has its own distribution system, established in the U.S. after it severed its relationship with IAI, a subsidiary of Bricklin Industries chaired by Malcolm Bricklin.

The Bertone charges come at a bad time for Bricklin. Bricklin is planning to import and distribute the Yugo, a low-priced sedan built by Zastava, in Yugoslavia. The first dealers have been appointed, and introduction is scheduled for this fall.

All statements at the time of the breakup, in late October, 1984, indicated the two companies parted ways on a friendly note. But now Bertone says it dropped IAI as its importing and marketing arm because it was dissatisfied with IAI. Representatives cited many problems, including large inventories and warranty problems. The credibility of Bertone was brought into question since the car was priced too high, a Bertone source said.

Bruce McWilliams, a spokesman for Bertone in the U.S., told Automotive News many meetings were held to "find a way out of the morass." Finally Bertone had to "bite the bullet" and go it alone, he said.

Bertone recently completed its import organization in the U.S. by appointing seven independent importers serving various sections of the country. It also reduced the price of the car from the IAI price of more than $15,000 to $9,995 by eliminating luxury items such as leather interior and air condition-

Please turn to Page 49, Col. 1

Import stock is fattest in 28 months

By Kathleen Hamilton
Assistant Managing Editor

Inventories of new imported cars climbed to a 28-month high on July 1 as supplies of Japanese cars continued to increase, reaching a two-year high.

But the imports continued to be sold as quickly as they were unloaded on U.S. shores in June, so the days-supply level remained short: 31 days. That's just about the same place it has been since the start of the year. An ideal supply of imports is usually considered to be 60 to 75 days.

The inventory of imported cars in ports, in transit and at dealerships stood at 310,221 on July 1, the highest level since March 1, 1983, when the count was 316,745, a 41-day supply.

The latest stockpile figure is up

Please turn to Page 52, Col. 4

breaking news

Chrysler to recall 129,000 Mitsubishi cars

WASHINGTON.—Chrysler Corp. will recall 129,000 1981-82 Mitsubishi-built Colt and Champ cars for failure to meet federal emissions standards. The cars are equipped with either 1.4-liter or 1.6-liter four-cylinder engines. Chrysler will adjust carburetors on all the cars and will modify ignition timing on the 1981 models.

Chrysler's Liberty to have own quarters

DETROIT.—Chrysler Corp. will spend $6 million to create a facility for its Liberty Project away from its Highland Park

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Pre-tax profit sets record

Taxpayer Chrysler earns $596 million

By Michelle Krebs
Financial Editor

Chrysler Corp. reported record second-quarter sales and pre-tax profits though net income dropped.

Because the company resumed paying taxes, net income dropped 26 percent to $596 million, or $5.02 per share, compared with $803 million, or $6.48 per share, in the same quarter in 1984.

The company provided for $256 million in taxes, while in 1984 it used $352 million tax-loss carryforward from its years of no profits.

Pre-tax earnings for the second quarter of 1985 were $852 million —Chrysler's best-ever quarter. That compared with $804 million in 1984's second quarter.

Sales for the quarter were $6.0 billion, also an any-quarter record. Chrysler's former quarterly peak for sales was $5.4 billion in the first three months of this year. Second-quarter sales were up 14 percent from 1984's $5.3 billion.

For the first six months of 1985, Chrysler reported net income of $1.1 billion, compared with $1.5 billion in the first six months of 1984. Taxes for the first half of 1985 amounted to $473.1 million. Chrysler paid no taxes in the first half of 1984.

Sales for the six months totaled a record $11.4 billion, compared with $10.2 billion in 1984. It was Chrysler's best six-month period.

Total vehicle sales for the quarter amounted to 618,463, up 12 percent from 554,660 in 1984's second quarter.

For the six months, Chrysler sold 1,165,510 cars and trucks, up 9 percent from 1,071,332 in the same period a year ago.

Chrysler's market share was 12.7 percent for the six-month period, compared with 11.5 percent last year.

Chairman Lee Iacocca attributed Chrysler's performance to its hot-selling minivans, convertibles and turbocharged vehicles.

"Chrysler convertibles so far this year matched everyone else combined," he said at a press conference announcing the earnings. "Turbochargers sold more than the whole world combined."

Chrysler Lebaron GTS and Dodge Lancer sales doubled in the second quarter over the first quarter, Iacocca noted, because of incentive financing.

Iacocca added Chrysler's productivity was up 7 percent in the first six months compared with last year.

Iacocca estimated that finance incentives and the company's "Thank You America" promotion cost the company $100 million in additional profits. However, he added, those promotions increased Chrysler's volume.

Ford builds its millionth Sierra in Europe

Surrounded by Ford Dagenham (England) plant employes and family members, Bryan Gould, at left leaning against car, Member of Parliament for Dagenham, and Roger Humm, wearing striped tie and standing to the right of car, director of sales for Ford of Britain, view the one-millionth Ford Sierra manufactured in Europe. The Sierra was introduced at the Paris Auto Show in 1982.

McCurry vows to keep Toyota in first place

By Matt DeLorenzo
Los Angeles Reporter

NAPA, Calif.—Vowing to keep Toyota in first place in imported car and truck sales, Robert McCurry, senior vice president of Toyota Motor Sales, U.S.A., said he expects car sales this year to top 600,000 and trucks to reach 300,000 for the first time.

"It now looks like the industry will hit 10.7 million in car sales this calendar year, up more than 300,000 from last year," he said. "That's considerably more than most people, including us, were forecasting at the start of the year.

"A very early look at next year shows the market staying at just about the same level."

Despite the anticipated sales records for Toyota, McCurry said he's disappointed with the fifth year of the Voluntary Restraint Agreement.

"Obviously, from the profits the domestics have been rolling up and some of the acquisitions they've made recently, they don't need the protection," McCurry said. "As for allocations, we feel we got less than our fair share."

An increase of only 11 percent in car shipments (to an estimated 617,000) coupled with the U.S. manufacturing capacity of Honda and Nissan, its two closest competitors, means that Toyota faces a serious challenge to its top ranking in import-car sales.

According to McCurry, "1985 will go down to the wire for the sales leadership title in cars. Let me say right now that Toyota intends to be the number one import in 1985. We've won the import 'Triple Crown'—first in cars, first in trucks and first in combined car and truck sales—for the past nine years, and we're not giving up any portion of it without a fight."

McCurry complained that the

Please turn to Page 49, Col. 5

DOE analysis detects move to smaller cars

By Jake Kelderman
Washington Reporter

WASHINGTON.—Although conventional wisdom holds that America is going back to the big, less fuel-efficient car in the face of an eased energy situation, in fact the contrary is happening.

According to a new report by the U.S. Department of Energy, the sales-weighted average fuel economy for all new cars (domestic and imports) bought between October, 1984, and March, 1985, improved by 0.6 MPG from the same period in 1984.

The latest average is 26.9 MPG, or 0.6 MPG short of the 27.5 MPG fuel economy level each of the major auto makers is required to achieve for the 1985 model year.

A similar development occurred in the light-truck market, where the new fleet hit a sales-weighted fuel-economy average of 20.48 MPG. That was a 0.4 MPG improvement from the 1984 period.

Explaining the fuel-economy improvement, researchers at DOE noted, "Unlike the previous model years, the first six months of model year 1985 experienced a reversed trend; more compact cars were sold than midsize cars."

They went on to say that the domestic makers were largely responsible for the improvement in the fleet average. Import models showed a significant worsening in their fleet average, the researchers said.

Domestic cars showed an improvement of nearly one MPG (actually 0.87 MPG) from the previous model year through wider use of lockup transmissions, smaller engines and shifts to smaller vehicles, the DOE report says.

Import vehicles, on the other

Please turn to Page 53, Col. 3

Pontiac eying 2-seat Trans Am in spirit of GTO

By Dan McCosh
Detroit Reporter

Pontiac is working on an ultralight, two-seat version of the Trans Am which could add the spirit, if not the actual name, of the old GTO to the 1987 performance-car derby.

While Pontiac has not yet committed to putting the car into production, sources close to the program say it is a notchback, two-seat version of the current Trans Am that weighs several hundred pounds less then the current model. The weight savings is meaningful mainly for competitors interested in IMSA showroom stock racing, where the Trans Am already is extremely competitive.

The lightweight Trans Am is reminiscent of the original stripped-down, high-performance GTO that established Pontiac's performance image in the 1960s. It adds yet another potential competitor to the planned 1987 introduction of high-output, specialty cars by Chrysler Corp., General Motors and Ford Motor Co. They promise to make it a watershed year for new-generation muscle cars.

Chrysler plans a special-bodied, turbocharged version of the Dodge Daytona with a 225-HP engine.

Pontiac is working on a 226-HP version of the 2.8-liter V-6 Fiero, and Ford is anticipating the introduction of a 227-HP, 16-valve V-6-powered Taurus with special suspension and body components.

Price hikes under way on '86 cars

By John K. Teahen Jr.
Managing Editor

Price season has begun in the domestic auto industry.

It was a full-fledged effort at American Motors (Automotive News, July 15), a trickle at General Motors and a bare-bones 30-word statement at Chrysler Corp. Ford Motor Co. had not spoken up at presstime.

It's difficult to place an industrywide handle on the 1986 price hike at this moment, but 2 percent to 3 percent is an early-season estimate. In hard cash, about $300.

That's on a comparably equipped basis—after the makers finish yanking off a strip of molding on one model and adding a wheel cover or a fancier radio on another.

On an unadjusted sticker-to-sticker basis, the 1986 models are likely to be 4 or 5 percent more than the 1985 cars.

For the Big Three, a 2-to-3-percent boost would be a bit more than the one applied a year ago. At that time, the announced upswings were 1.2 percent for Chrysler, 1.3 percent for Ford and 2.3 percent for GM.

GM last week announced 1986 prices for its N-cars (the GM20 models), both for the carryover coupes and the brand-new four-door sedans.

Not to be left behind, Chrysler issued a 30-word statement: "Chrysler Corp. today anounced tentative price increases averaging 2 to 3 percent for its 1986-model passenger cars. Firm prices will be announced when the new cars are introduced in October."

Chrysler also sent tentative 1986 fleet prices to dealers, showing hikes of 2 percent to 7 percent, with the higher figures including additions to the standard equipment list. The fleet bumps on Omni/Horizon and Aries/Reliant were 2 percent

The coupes in GM's N-car lineup are up 3.22 percent after adjusting for equipment additions and 5.43 percent on a straight sticker-to-sticker comparison.

The 1986 Pontiac Grand Am coupe is $8,549, up $400; the Oldsmobile Calais is $9,283, up $614, and the Buick Somerset Regal is $9,425, up $399. Those are increases from the base 1985 stickers.

GM said an AM/FM stereo radio is standard on the 1986 Calais and full-wheel covers are standard on the 1986 Grand Am.

Sticker prices of the new four-door sedans in the N-car lineup are $8,749 for the Grand Am, $9,478 for the Calais and $9,620 for the Buick Skylark, which is the sedan designation for Buick.

Prices were boosted on some N-car options. Automatic transmission rose to $465 from $425, and the V-6 engine climbed to $610 from $560.

GM priced the 1986 N-cars because they are already in production and are being shipped to dealers.

Earlier, American Motors issued tentative prices on its 1986 models, authorized selling before the official Oct. 1 introduction date and reduced the dealer discount on base models from 10 percent to 9 percent.

AMC said average-equipped Renaults will go up an average of $54, or 0.7 percent; Jeeps and Eagles will rise an average of $324, or 2.1 percent.

But it may be amending its position

NADA mum on fleet-subsidy plan

By John A. Russell
New York Staff Writer

NEW YORK.—NADA may be backing off its controversial six-point negotiating plan to enact federal legislation on fleet subsidies, but there is a wall of silence at the dealer association. The executive committee met late last week and the agenda was not revealed.

In recent weeks, the association appeared to be amending its position through correspondence with the dealers which Automotive News obtained.

This may be in reaction to reportedly heated objections by several dealer groups throughout the country which protested loudly when the association drew up its approach to negotiations with congressional leaders on introducing a bill that would address fleet subsidies.

Noticeably absent in the six-point program when it was introduced in mid-June was any mention of two-tier pricing which had been a key dealer demand.

Also, the program included a clause stating the association would go along with preemption of state legislation that would prevent states from enacting their own laws on subsidies. The approval of that approach by the NADA board of directors brough howls of protest from individual dealers and dealer associations throughout the nation.

According to sources, NADA leaders presented that program in several states in an effort to garner support. Reaction has ranged from polite listening and no action taken to statements that the groups cannot support any measure that does not include two-tier pricing.

The latest example is the Colorado Automobile Dealers Assn., which informed NADA President

Please turn to Page 49, Col. 1

Japan is the target

Bill seeks 25-pct. tariff on imports

By Geoff Sundstrom
Washington Reporter

Influential congressional Democrats introduced trade legislation last week that could add a 25 percent tariff penalty to the price of all Japanese imports, including autos.

The bill is intended to force Japan and certain other nations to reduce their huge trade surpluses with the U.S. and the world.

Based on 1984 data, Japan, South Korea, Brazil and Taiwan would currently be liable for the 25 percent duty. Hyundai cars from South Korea will go on sale in the U.S. early next year, and Kia models from that country are slated to be imported by Ford in 1988. General Motors will begin importing cars from Daewoo, of Taiwan, in 1987.

Nations with excessive trade surpluses can avoid the tariff penalty by removing tariff and non-tariff barriers deemed unfair by the U.S. Trade Representative's Office. Trade figures for purposes of the bill would be compiled by the U.S. International Trade Commission.

The bill was introduced by a coalition of key Democrats, including House Majority Leader Jim Wright, of Texas; Ways and Means Committee Chairman Dan Rostenkowski, of Illinois, and Richard Gephardt, of Missouri, who is a key member of the Democratic Leadership Council.

Senator Lloyd Bentsen, Texas Democrat, introduced the measure in the Senate.

The White House immediately denounced the bill as "protectionist" and implied that the measure would be vetoed by the President if it is passed by Congress.

However, backers of the bill believe the measure will continue to win support if the nation's trade deficit increases to a projected $160 billion this year. At introduction, the bill had 100 cosponsors in the House and a dozen cosponsors in the Senate.

Rostenkowski, whose Ways and Means Committee is now mired in reviewing tax reform proposals, said the bill would receive high-priority attention in the fall. Legislative procedures dictate that trade measures originate in the Ways and Means Committee.

House Majority Leader Wright told reporters he believed the budget and trade-deficit issues were the highest priorities facing the nation. Both Wright and Rostenkowski are said to be contenders for Speaker of the House when Massachusetts Democrat William (Tip) O'Neill retires in 1986.

Although Bentsen said the bill is likely to encounter its severest test in the Senate, he said he believes a strong vote in the House could produce a favorable Senate vote.

Earlier this year, both the House and Senate passed non-binding resolutions calling on Japan to reduce its barriers to American products. At that time, there was considerable bi-partisan ire over a spiraling U.S. trade deficit that has continued to worsen.

Two weeks ago Senate Finance Committee Chairman Bob Packwood, Oregon Republican, asked for Senate consideration of a bill approved by his committee that would force the President to take retaliatory action against nations that do not reduce trade barriers to U.S. goods. The bill has yet to be scheduled for floor action.

The latest trade bill, called the Trade Emergency and Export Promotion Act, calls on Congress to declare a national trade emer-

Please turn to Page 52, Col. 1

Bless you, bus!

The Rev. William Kaina, of Kawaiahao Church, blesses the first Scania bus to reach Hawaii, part of an order for 46 Scanias ordered by the City and County of Honolulu Department of Transportation Services. To the left of Rev. Kaina is Honolulu Mayor Frank F. Fasi. Honolulu is the first transit property to take delivery of the newest generation Scania CN112 "silent bus." Saab-Scania of America manufacutures the buses in Orange, Conn.

Ford set to introduce long-delayed Aerostar

By Arthur Flax
Assistant Truck Editor

ST. LOUIS.—Ford Motor Co.'s oft-delayed Aerostar minivan will finally make it to dealer showrooms by the end of the month, the company announced at the "launch" of the new truck here last week.

Ford Chairman Donald E. Petersen indicated that the Aerostar was delayed to assure that production kinks would be worked out from the start.

He said, "All right, so Aerostar is coming to market a few weeks later than we planned four or five years ago. But we've accomplished so much more than our competition through the use of new technology that we're actually far ahead."

He said the St. Louis plant, which produced Ford Crown Victoria and Mercury Grand Marquis models until January, was "literally gutted" and an entirely new plant employing the latest in advanced technology was built in its place.

Although the St. Louis ceremony was Ford's official launch of the truck, production units have actually been rolling off the assembly line since May 31, and 2,000 have been shipped to dealers, according to Philip M. Novell, Ford Division general sales manager. Dealers, he said, may sell the minivans as soon as they arrive. They will be sold as 1986 models.

Novell said Ford has more than 40,000 dealer orders for the Aerostar with 12,000 pre-sold to customers.

Base price are $9,064 for the five-passenger Aerostar and $8,222 for the cargo van version. Novell said the passenger van will probably account for 60 to 70 percent of total production.

The Aerostar will initially be offered with a standard electronically fuel-injected 2.3-liter four-cylinder engine and an optional 2.8-liter V-6 that produces 115 HP. Next February, the new 145-HP, 3.0-liter V-6 engine, which will power the Ford Taurus and Mercury Sable, will replace the 2.8-liter engine as an Aerostar option, Novell said.

Daniel L. Rivard, Ford manager of light-truck product development, said the smaller engine, which is not related to the new 3.0-liter V-6, will continue to power Ford products but will be punched out to 2.93 liters as "Job 1" in 1986.

NHTSA won't reopen Ford Park-to-Reverse

By Jake Kelderman
Washington Reporter

WASHINGTON.—Saying there is no new technical evidence to support it, NHTSA has refused to reopen an investigation into whether millions of 1970-1979 Ford Motor Co. cars with automatic transmissions are prone to shift without warning from Park to Reverse.

The Center for Auto Safety asked for the investigation in March, saying that it was still receiving reports of fatalities involving the cars (an alleged 117 since 1980).

The safety group said it had new data indicating a "dramatic" drop in alleged fatal Park-to-Reverse accidents involving later-model Fords following a redesign of the Ford shifter system in 1980.

The latest development in this long-running case does not spell an end to it, however.

Clarence Ditlow, head of the safety center, said his organization will file suit in the U.S. District Court for the District of Columbia, seeking to overturn the NHTSA decision. It will be the second time the center has been in court on the Park-to-Reverse issue.

In October, 1980, NHTSA Administrator Joan Claybrook recommended that some 23 million 1970-era Ford Motor Co. cars should be labeled as having a safety-related defect.

But in an unusual settlement of the issue, the Department of

Please turn to Page 8, Col. 1

Dennis to handle Yugo and Niva in Canada

By Michelle Krebs
Financial Editor

Peter Dennis Motor Corp., formerly Lada Cars of Canada, has obtained the Canadian distributorship for the Yugoslavian-built Yugo and also will do final assembly for the Russian Niva in Canada.

David Hunt, the corporation's newly appointed deputy chairman, said Peter Dennis Motor Corp. has obtained the Canadian distributing rights for the Yugo, the low-priced, Yugoslavian-built automobile that will be imported into the U.S. by Malcolm Bricklin.

Hunt said that once U.S. Yugo operations are in full swing, operations in Canada will gear up.

The company will appoint 80 Yugo dealers throughout Canada. Sales volume for the first full year in Canada will be in the 6,000-to-8,000 range, Hunt said.

He said he sees the Yugo not as a direct competitor to the phe-

Please turn to Page 6, Col. 4

As underwriters screen clients more scrupulously

Dealers taking closer look at self-insurance

By Richard Johnson
Detroit Reporter

Auto-dealer risk managers are reportedly taking a closer look at self-insurance options now that underwriters in today's constricted property-and-casualty market have begun choosing dealer clients more carefully.

A combination of self-funding and purchased insurance for excessive losses is being hailed by some as an attractive alternative to the hazards of conventional carrier coverage, including dwindling capacity and rising premiums.

But several insurance professionals remain skeptical of self-funding by individual dealers or groups of dealers, citing high costs, high risks and the complexity of packaging comprehensive property and casualty plans.

Some industry observers cite a built-in resistance among auto dealers to insurance links with other dealers. But a general movement toward insurance restructuring in other commercial fields may portend the same trend in the retail auto business.

"There is a lot of pressure for self-insurance going on," said Roger Heckman, vice president—marketing and underwriting at Dealer Cover, Torrance Calif., which has designed a property and casualty program for dealer groups. "It is time for dealers through local associations and dealer bodies to begin to looking at this as an alternative."

Last of a Series

Self-funded programs can be tailored to either individual dealers or to groups of dealers sponsored by formal associations or loosely defined alliances.

Other risk alternatives include single-parent and group captive insurance companies, which are usually created by medium- to large-sized corporations interested in underwriting their own exposures. The option essentially involves getting into the insurance business, with the risk spread through reinsuring.

"There is a major insurance problem in this country as far as capacity is concerned," said James Kinder, executive vice president of the nonprofit Self-Insurance Institute of America, Santa Ana, Calif.

"There are many more restrictions on the type of risks companies are willing to underwrite. It is very difficult to find coverage and if you do, the question is at what price. But if you're talking about property/casualty exposures, price may not necessarily be the most important factor. It may be survival."

Industry pros say dealers have traditionally been less than desirable risks. High-loss-exposure operations have been heavily impacted by conditions in the commercial insurance market, where huge underwriting losses were reported last year.

Capacity has fallen off because of the collapse of a number of firms, lower returns on insurance companies' cash holdings and a slowdown of investor funds into the industry.

Carriers who have survived the

Please turn to Page 53, Col. 1

Subcompact book

ST. LOUIS.—Nowadays, everything in the automotive industry is being downsized. Even Chrysler Corp. Chairman Lee Iacocca's best-selling book has been condensed in the July issue of Reader's Digest.

index

Auction reports	38-39
Classified advertising	40-47
Editorial page	10
Personnel	22
Production by makes	54
Sales, car	6
Registrations, car	30, 32
Registrations, truck	18, 34
Truck highlights	18

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Al Fleming

Beijing Jeep gears up for Cherokee production

Robert Steinseifer, director of enterprise management for Beijing Jeep Corp., Ltd., Beijing, People's Republic of China, is preparing for the Oct. 1 production launch of the U.S.-designed Jeep Cherokee XJ. The company is a joint venture between American Motors and Beijing Automotive Works.

Will it form a supply base for AMC in the U.S.?

A visit to Jeep venture in China

By Al Fleming
Industry Editor

BEIJING, People's Republic of China.—Beijing Jeep Corp., Ltd., has designated Oct. 1 as official production launch date for the U.S.-designed Jeep Cherokee XJ vehicle to be built here.

BJC is the joint-venture company started last year by American Motors and China's government-owned Beijing Automotive Works. AMC owns 31 percent of the operation; BAW, 69 percent.

According to Robert Steinseifer, director of enterprise management for BJC, only the base four-door, four-cylinder Cherokee XJ model, with four-wheel-drive, will be turned out. The vehicle will be called the BJ-213.

Steinseifer said production schedules call for 750 BJ-213s to be made in the fourth quarter of 1985. He said the production-launch target is 12 units a day, and later will climb to 18 a day.

Besides the BJ-213, the company will continue to build the BJ-212, a Russian-designed utility vehicle that has been produced here by BAW for many years; 17,000 were made in 1984.

Steinseifer said the Russian vehicle, which he terms "technologically outdated," is available only in one color—traditional army olive-drab—and will be phased out in three or four years. He said 21,000 will be built in 1985.

Noting that the BJ-212, all of whose parts are made in China, currently is priced at the equivalent of $10,500, Steinseifer said, "The 212 is very cheap; it's a 20-year-old vehicle. The XJ will cost more, but it's state-of-the-art. The plan is to phase out the 212 while boosting volume and reducing cost of the 213."

Meantime, the facilities that have been used to turn out the Russian vehicle are being completely revamped. To prepare for Jeep production, two new paint shops and expanded stamping facilities are being installed. Equipment for the body shop, which is being doubled in size, will arrive today (July 22) from the U.S., Steinseifer said, and body production will start shortly after.

The new paint operation, which will run two shifts, was launched in mid-July, with trim operations getting under way the last week in July.

A structure housing a new final assembly line will start receiving equipment July 27.

"It's a conveyorized moving line, modern in every way except that it won't be automated," Steinseifer said.

He said the new production-line equipment is like that used in Toledo, where AMC's U.S. Jeep manufacturing and final assembly plant is located. However, Chinese "hand labor," rather than robots, will be used in such operations as body welding and painting.

1st U.S.-built London taxi is piped off assembly line

By Jenny L. King
Detroit Reporter

MT. CLEMENS, Mich.—With a puddle of champagne beneath its grille and Scottish pipers stationed at the rear fenders, the first U.S.-built London Taxi sat at the end of the spotless assembly line here July 17.

Its keys were presented to Michigan Lieutenant Governor Martha Griffiths by Don Landers, president of LondonCoach and a veteran special-vehicles designer and builder through his company, PSI, Inc., also at the site.

This hybrid taxi looks like something out of the '50s, and in fact it is. The body was designed in the late 1950s in England where it has been built and used ever since. Landers' firm is the only licensed London Taxi production source outside the U.K.

The Mt. Clemens taxis are definitely Anglo-American, with about 50 percent of their content coming from U.S. sources, a point Landers emphasized. The bodies come from Carbodies of Coventry, England. They travel first to Germany, then are shipped with exports of Volkswagens and Audis to the port of Wilmington, Del.

Because they will be powered by Ford 2.3-liter engines, they must be towed from their ship berths to the backs of transports which bring them to this small city north of Detroit.

"The engine, transmission, wiring, battery, brakes are bought from U.S. companies and added in our factory," Landers said. "Some cities here have 'made-in-America' requirements.

"In Chicago, for example, we explained to the city's Taxi Commission that half the vehicle was of domestic content."

(Chicago has no regulations per se but the city wanted the specifics for future reference, according to a Taxi Commission spokeswoman.)

LondonCoach has a production target of 500 vehicles its first year. Landers said he plans to keep output at that level to control quality and service. Sales will be handled from Mt. Clemens and through regional sales reps in Washington, Boston, Detroit and a roving salesman, he said.

Powertrains, with 12,000-mile warranties, can be serviced by any of Ford Motor Co.'s 6,000 dealers, he said. LondonCoach also will set up authorized service outlets.

Landers made the decision to expand his business to include taxicab production a couple of years ago. The demise of Checker Motors Corp. in 1982, after almost 60 years in business, opened a niche in the market.

That void looked like an opportunity,he said, explaining his interest in building taxis.

"There's quite a difference between a vehicle built for taxi purposes and a regular production car altered to serve as a taxi. There even are stories of people standing in the rain, passing up rides in the latter to wait for a Checker-type car, with its room and passenger conveniences," he said.

The $19,610 London Taxi has room for seven persons and has a high enough roof for a graceful entrance and exit.

Corrosion protection includes galvanized steel panels in critical areas; use of zinc and aluminum-based paints inside door panels and wheel well surfaces; phosphate-processed steel to inhibit rust creep if painted surface is chipped, and an undercoating with protective wax.

Chrysler, Ford up; GM down

Early-July sales trail last year's

By Jenny L. King
Detroit Reporter

Early-July new-car sales, while short of the year-ago total by some 5,000 units, looked respectable when compared with July 1-10 sales during the past decade.

Traditionally, sales taper off during the summer months, with July down from June and May. The record for the early-July period is 214,912 in 1973.

Last year, 179,026 new cars were delivered during the period; this year, the total was 174,176. Ten years ago, the early-July total was 167,101.

Domestic sales this year were down 2.71 percent from 1984. On a daily-rate basis, they dropped 14.87 percent, to 21,772 from 25,575. There were eight selling days in the period this year, seven in 1984.

General Motors reported a 6.99-percent sales decline, slipping to 96,410 from 103,655. Ford Motor Co. was up 3.34 percent, to 45,803 from 44,323. Chrysler Corp. domestic sales of 23,631 were up 8.26 percent from 21,827.

American Motors reported estimated sales of 3,060, down 43.33 percent from last year's 5,400. Honda was up 9.09 percent, to 2,833 from 2,597. Volkwagen's 15-vehicle increase, to 1,239 from 1,224, figured to a 1.23-percent gain. Nissan Sentra sales were estimated at 1,200.

GM earned 55.35 percent of the early-July domestic market, dropping from 57.90 percent a year earlier. Ford captured 26.30 percent, up from 24.76 percent. Chrysler increased its share to 13.57 percent from 12.19 percent.

AMC sales accounted for 1.75 percent, down from 3.02 percent. Honda had 1.63 percent, up from 1.45 percent. VW held 0.71 percent, up from 0.68 percent, and Nissan earned 0.69 percent this year, its first on the domestic market.

Domestic makes reporting July 1-10 sales increases included Plymouth, up 4.46 percent; Chrysler, up 0.23 percent; Dodge, up 19.36 percent, and Ford, up 0.95 percent. Mercury was up 8.70 percent; Lincoln was up 5.82 percent; VW was up 1.23 percent, and Honda was up 9.09 percent.

At GM, Cadillac managed a record for the period along with a sales gain of 3.83 percent over the year-ago record. Cadillac sales numbered 7,213 this year compared with the previous high of 6,947 last year.

Buick sales plunged 20.88 percent, Pontiac was off 14.35 percent, Oldsmobile was down 3.41 percent and Chevrolet dropped 0.45 percent. AMC Eagle sales were off an estimated 25.00 percent while Renault sales dropped 44.80 percent. VW was up 1.23 percent and Honda climbed 9.09 percent.

Sales since the first of the year were up 1.43 percent, to 4,488,843 from 4,425,369.

Chevrolet's Celebrity was the top domestic nameplate July 1-10, with sales of 9,754. Ford Escort was second at 8,453, followed by Chevrolet Cavalier at 8,418, Oldsmobile Ciera at 7,306 and standard Chevrolet at 5,426.

DOMESTIC SALES

	June 1-10, 1985	June 1-10, 1984
Renault Alliance-Encore	2,760†	5,000†
AMC	300†	400†
AMERICAN MOTORS	3,060†	5,400†
Chrysler	7,803	7,785
Plymouth	6,538	6,259
Dodge	9,290	7,783
CHRYSLER CORP.	23,631	21,827
Ford	29,630	29,352
Mercury	12,500	11,500
Lincoln	3,673	3,471
FORD MOTOR CO.	45,803	44,323
Buick	15,868	20,056
Cadillac	7,213	6,947
Chevrolet	36,707	36,873
Oldsmobile	22,528	23,323
Pontiac	14,094	16,456
GENERAL MOTORS	96,410	103,655
VOLKSWAGEN	1,239	1,224
HONDA	2,833	2,597
NISSAN	1,200†	0
U.S. INDUSTRY TOTAL	174,176	179,026

†—Estimate

Dennis gets Yugo in Canada; will build plant for Niva

Continued from Page 3

nomenally successful Hyundai Pony but as a vehicle to fill a gap in the lower end of the market.

Hunt also said final assembly of Niva, a Russian four-wheel-drive vehicle like General Motors' Jimmy, will be done in a plant in Halifax, N.S., with the first prototype scheduled as early as September. The subassemblies and bodies will come from Russia and will be put together in Canada.

The plant will employ up to 250 people and will turn out about 25,000 vehicles a year, which will be exported as well as sold in Canada.

A third prong of Peter Dennis Motor Corp.'s new strategy and redefined market thrust is to revitalize its Signet dealer network. Signet is the upgraded version of the Russian-built Lada.

Hunt said the dealer network deteriorated when the Lada nameplate was replaced by Signet. The Signet, base priced at under $5,000 (Canadian), has not caught on well in Canada and has been clobbered by competition from the Korean-built Pony.

However, Hunt said the number of Signet dealers will be increased from 85 to 100 in time for the spring, 1986, introduction of the 2108, a new series of Russian-built cars.

The 2108 is a Porsche-engineered, front-wheel-drive vehicle that will be offered first as a three-door hatchback and soon after as a five-door. The car is expected to be priced under $7,000 (Canadian), and sales volume is estimated at about 15,000 vehicles a year in Canada.

Another important part of Hunt's job will be to improve the image of motor vehicles imported from the Soviet Union.

A challenge will be to squelch rumors regarding the difficulty in obtaining parts for Russian-made vehicles. Hunt said his company has a 40,000-square-foot warehouse that will stock $10 million (Canadian) worth of parts, and the company has first pick of parts from Russia.

His first move will be to hire two parts people to make sure dealers have ample parts supplies.

In addition, increased use of Canadian-made components in the manufacture of the Russian-built vehicles will help their image, Hunt said.

He hopes for the same success he had with Satra Corp., the Lada importer in Europe, in which he established ties between British suppliers, most notably Goodyear, and the Russians. A deal already has been struck between Michelin in Canada and the Russians for tires.

Hunt also said GM transmissions will be used in the Niva, and discussions are in progress to purchase diesel engines from GM.

Mitsubishi dealer incentive hikes truck sales 56 pct.

FOUNTAIN VALLEY, Calif.—Cash incentives to dealers on all Mitsubishi pickup trucks will continue through July.

Dealers who sell 21 to 35 units during June and July get an extra $300 per unit. Sales of 36 or more earn $500 per unit. The program is non-retroactive. Mitsubishi truck sales rose 56 percent during the first month of the incentives.

Please turn to Page 26, Col. 1